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The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES

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ANNUAL REPORT
OF THE
COMMISSIONER OF BANKS
FOR THE
Year Ending December 31, 1964
RELATING TO
LICENSED SMALL LOAN LENDERS

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COLL

The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES

150 Causeway Street, Boston

COMMISSIONER OF BANKS

JOHN B. HYNES

DEPUTY COMMISSIONER OF BANKS

WILLIAM P. MORRISSEY

DEPUTY COMMISSIONER OF BANKS

AND

GENERAL COUNSEL

JOHN P. CLAIR

ACTING SUPERVISOR OF LOAN AGENCIES

WILLIAM P. BROWNE

ASSISTANT SUPERVISOR AND RATE ANALYST.

ROBERT S. LEADBETTER

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The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS
150 CAUSEWAY STREET, BOSTON

APRIL 1, 1965

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1964.

Respectfully,

JOHN B. HYNES

Commissioner of Banks

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing—as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with the instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1964, there were three hundred and forty small loan licenses outstanding.

During the calendar year, 1964, 304,094 loans of \$3,000.00 or less amounting to \$178,943,549.27, which is less unearned charges were made. These figures represent a decrease of 18,814 in the number of loans made and a decrease of \$3,110,977.79 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$588.45 as compared to \$563.80 for the calendar year, 1963.

On December 31, 1964, there were 302,509 regulated loans of \$3,000.00 or less outstanding with a face value of \$185,104,869.58, which includes unearned charges amounting to \$31,552,796.41. These figures represent a decrease of 4,333 in the number and an increase of \$5,599,803.67 in the amount of *net* loans outstanding since the beginning of the calendar year.

The average net loan outstanding on December 31, 1964, was \$507.60 as compared with \$482.18 on December 31, 1963.

Total regulated loans of \$3,000.00 or less charged off for the period amounted to \$2,933,894.17.

Gross income for the period totaled \$35,160,036.92 of which \$224,768.05 represents recoveries on loans previously charged off and \$175,880.53 represents other income. Operating expenses aggregating \$15,423,419.12 include \$2,324,981.21 of home office expenses; charge-offs on bad debts amounting to \$648,936.49 and an addition of \$2,346,131.91 to the valuation reserve combine to make a total expense of \$18,418,487.52 which deducted from gross income, leaves a balance of \$16,741,549.40, representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$5,935,254.36 remains after deducting interest on borrowed funds amounting to \$5,546,609.24 and federal income taxes amounting to \$5,259,685.80.

As of December 31, 1964, the book assets amounted to \$162,127,521.29. The cash in office and in banks amounted to \$3,182,877.89 which includes \$669,512.93 in compensating balances. Home office assets allocated to Massachusetts licensees consist of cash of \$5,416,734.33 and other assets of \$1,692,673.14 making a total of \$7,109,407.47. Compensating balances included in the allocation amount to \$3,289,845.88, which when totaled will produce compensating balances of \$3,959,358.81. Total assets as shown in Exhibit B less compensating balances, produce assets of \$158,168,162.48.

This department does not consider compensating balances to be assets. They are used here as a deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The reports of Eagle Finance Company, License Number 220, and First Personal Bankers, Inc., License Number 233, were not used in the compilation of these figures due to unusual and extraordinary circumstances.

The maximum interest charges permitted on loans of \$3,000.00 or less for *licensed small loan lenders* is $2\frac{1}{2}\%$ per month on any part of the unpaid principal balance exceeding \$200 but not exceeding \$600; $1\frac{3}{4}\%$ per month on that part of the unpaid principal balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1% per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6% per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000.00 or less for *unlicensed lenders* is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charges permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over twenty-five thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

*EXHIBIT A***LEGISLATION ENACTED RELATING TO LOANS AND CREDIT***Acts and Resolves of 1964*

CHAPTER	AMENDMENT TO:	DESCRIPTION
727	New chapter 255C of the General Laws	An Act Relative To Insurance Premium Finance Agencies.
68 (Resolve)		Increasing the scope of the special com- mission established to make an inves- tigation and study of the laws of the Commonwealth relative to loans and credit.
115 (Resolve)		Authorizing the special commission es- tablished to make an investigation and study of the laws of the Commonwealth relative to loans and credit to file in- terim reports.

The Commonwealth of Massachusetts

ANNUAL REPORT OF THE COMMISSIONER OF BANKS
FOR THE YEAR ENDED DECEMBER 31, 1964
(General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1964
(Loan Business of \$3,000 or Less)

LICENSED AGENCIES
340

Receivables:		
(a) Gross Amount		\$185,104,869.58
(b) Less: Unearned Charges		31,552,796.41
(c) Less: Allowance for Bad Debts		4,579,528.94
(d) Net Receivables		\$148,972,544.23
Cash in Office and in Banks		3,182,877.89
Real Estate (Less Allowance for Depreciation-Buildings)		195,099.12
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)		948,728.53
Deferred Charges or Prepaid Expense		237,608.64
Other Assets:		
(a) Organization and Development Expense	\$ 160,383.82	
(b) Cost of Financing	19,651.58	
(c) Investments	808,916.33	
(d) Miscellaneous Notes and Accounts Receivable	419,374.97	
(e) Miscellaneous	72,928.71	1,481,255.41
Total Assets		\$155,018,113.82
Home Office Assets Allocated to Massachusetts Licensees		7,109,407.47
Total		\$162,127,521.29
Compensating Balances Included in Cash	\$ 669,512.93	
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees		3,289,845.88
Total Compensating Balances Included in Assets		\$ 3,959,358.81

EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 1964
(Loan Business of \$3,000 or Less)

<i>Gross Income</i>		
Charges Collected and/or Earned	\$33,615,176.76	
Delinquency Charges Collected	1,144,211.58	
Collections on Accounts Previously Charged Off	224,768.05	
Other Income:		
(a) Gain on Sale of Assets	2,816.40	
(b) Income from Investments	139,051.35	
(c) Miscellaneous	34,012.78	
Total Gross Income		<u>\$ 35,160,036.92</u>
<i>Expenses of Conducting Business</i>		
Advertising		\$ 1,059,377.28
Auditing		93,564.48
Bad Debts:		
(a) Charged Off	\$ 648,936.49	
(b) Addition to Reserve	2,346,131.91	2,995,068.40
Depreciation of Furniture, Fixtures and Equipment		263,135.77
Recording and Acknowledging Fees		7,683.54
Insurance and Fidelity Bonds		95,410.01
Legal Fees and Disbursements		337,767.62
Postage and Express		248,936.89
Printing, Stationery and Supplies		205,916.22
Rent		1,070,513.87
Salaries		6,206,380.94
Supervision and Administration		454,714.79
Taxes (Excluding Federal Taxes on Income):		
(a) State Income	\$ 572,423.06	
(b) License Fees	118,403.80	
(c) All Other Taxes	434,568.41	1,125,395.27
Telephone and Telegraph		745,688.55
Travel		302,518.10
Other Expenses of Conducting Business		881,434.58
Total		<u>\$ 16,093,506.31</u>
Total Home Office Expenses		2,324,981.21
Interest on Borrowed Funds		5,546,609.24
Total Expenses		<u>\$ 23,965,096.76</u>
Net Earnings Before Federal Income Taxes		<u>\$ 11,194,940.16</u>
Federal Income Taxes		<u>\$ 5,259,685.80</u>
Total Expenses after Income Taxes		<u>\$ 29,224,782.56</u>
Net Earnings after Income Taxes and Interest on Borrowed Funds		<u>\$ 5,935,254.36</u>

EXHIBIT D

ANALYSIS OF LOANS BY SIZE
(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount</i>
Total Loan Balances Outstanding (Less Unearned Charges) at Beginning of Period	305,739	\$147,516,844.14
Loans Made During the Period:		
(a) Loans of \$ 100.00 or less	8,939	555,535.92
(b) Loans of \$ 100.01 to \$ 200.00	37,925	5,295,650.69
(c) Loans of \$ 200.01 to \$ 300.00	37,668	9,115,471.24
(d) Loans of \$ 300.01 to \$ 400.00	37,931	12,772,665.39
(e) Loans of \$ 400.01 to \$ 500.00	33,711	14,968,432.47
(f) Loans of \$ 500.01 to \$ 600.00	31,054	16,804,824.97
(g) Loans of \$ 600.01 to \$1,000.00	66,223	50,257,070.62
(h) Loans of \$1,000.01 to \$1,500.00	38,963	46,441,325.47
(i) Loans of \$1,500.01 to \$3,000.00	11,680	22,732,572.50
Total Loans Made During the Period	304,094	\$178,943,549.27
Loan Balances Purchased During the Period	9,620	4,471,173.47
Loan Balances Sold During the Period	8,636	3,994,870.34
Loan Balances Charged Off During the Period	8,034	2,933,894.17
Collections During the Period	—	170,450,729.20
Total Loan Balances Outstanding (Less Unearned Charges) at the End of Period	302,509	\$153,552,073.17

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY
(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount</i>
Loans Made During the Period Based in Whole or in Larger Part on:		
(a) Chattel Mortgages on Household Goods	129,520	\$100,241,861.32
(b) Automobiles	19,067	14,076,015.96
(c) Real Estate	291	426,831.62
(d) Other Chattels	4,992	4,356,980.42
(e) Unsecured Notes	139,927	53,836,106.49
(f) Endorsed and/or Co-Maker Notes	8,774	4,474,693.46
(g) Wage Assignments	67	19,063.65
(h) Other Considerations	1,456	1,511,996.35
Total	304,094	\$178,943,549.27

EXHIBIT F

SUITS, POSSESSIONS AND SALE OF CHATTELS
(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount Due</i>
Suits for Recovery:		
(a) Pending at Close of Previous Period	2,340	\$ 1,039,425.33
(b) Instituted During Period	2,237	1,185,415.75
(c) Total	<u>4,577</u>	<u>\$ 2,224,841.08</u>
(d) Judgment Secured During Period	1,427	\$ 711,810.90
(e) Settled Before Judgment During Period	572	298,544.49
(f) Total	<u>1,999</u>	<u>\$ 1,010,355.39</u>
(g) Pending at Close of Current Period	<u>2,578</u>	<u>\$ 1,214,485.69</u>
Wage Assignments Filed During Period	<u>100</u>	<u>\$ 54,574.20</u>
Possession of Chattels Obtained by Licensee:		
(a) By Legal Process or Contract Right:		
(1) Household Goods	7	\$ 6,854.43
(2) Automobiles	70	\$ 59,278.59
(3) Other Chattels and Property	<u>4</u>	<u>\$ 5,337.51</u>
(b) By Voluntary Surrender:		
(1) Household Goods	14	\$ 13,204.34
(2) Automobiles	60	\$ 55,334.94
(3) Other Chattels and Property	<u>3</u>	<u>\$ 1,043.79</u>
Sale of Chattels by Licensee:		
	<i>Number</i>	<i>Amount Due</i>
(a) With Borrower's Consent	85	\$ 73,254.10
(b) Without Borrower's Consent	<u>45</u>	<u>\$ 39,953.83</u>
		<u>\$ 11,661.90</u>

EXHIBIT G

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1964
(Total Loan and Finance Business)

ASSETS

Receivables:

(a) Gross Amount		\$219,285,350.86
(b) Less: Unearned Charges		35,074,498.99
(c) Less: Allowance for Bad Debts		5,494,994.99
(d) Net Receivables		<u>\$178,715,856.88</u>
Cash in Office and in Banks		5,166,778.80
Real Estate (Less Allowance for Depreciation-Building)		362,693.69
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)		1,127,040.27
Deferred Charges or Prepaid Expense		358,932.77
Other Assets:		
(a) Organization or Development Expense	\$ 236,277.88	
(b) Cost of Financing	46,594.24	
(c) Investment	2,016,847.33	
(d) Miscellaneous Notes and Accounts Receivable	1,347,005.61	
(e) Miscellaneous	122,122.47	3,768,847.53
Total Assets		<u>\$189,500,149.94</u>
Home Office Assets Allocated to Massachusetts Licensees		\$ 7,750,254.37
Total		<u>\$197,250,404.31</u>

LIABILITIES AND CAPITAL

Accounts and Notes Payable:

(a) Banks	\$12,328,400.07	
(b) Due to Parent Company or Affiliate	58,999,710.37	
(c) Other Short Term Notes and Accounts	3,812,639.05	\$ 75,140,749.49
Bonds		3,411,168.04
Long Term Notes		5,700,319.68
Investment Certificates		2,748,903.37
Other Liabilities:		
(a) Accrued Expenses	667,978.16	
(b) Other Expense Reserves	2,171,145.20	2,839,123.36
Branch Office Capital		66,998,467.45
Net Worth (If Individual or Partnership)		257,370.44
Capital Stock (If Corporation):		
(a) Preferred	4,131,881.00	
(b) Common	9,360,278.46	13,492,159.46
Paid in Surplus		4,061,435.02
Appropriated Surplus or Capital Reserves		484,637.71
Retained Earnings		14,365,815.92
Total Liabilities and Capital		<u>\$189,500,149.94</u>
Compensating Balances Included in Cash		\$ 1,635,521.75
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees		3,650,130.94
Total Compensating Balances Included in Assets		<u>\$ 5,285,652.69</u>

EXHIBIT H

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 1964
(Total Loan and Finance Business)

<i>Gross Income</i>		
Charges Collected and/or Earned	\$38,155,321.44	
Delinquency Charges Collected	1,281,709.99	
Collections on Accounts Previously Charged Off	283,381.56	
Other Income:		
(a) Gain on Sale of Assets	37,223.30	
(b) Income from Investments	230,729.96	
(c) Miscellaneous	140,295.10	
Total Gross Income		<u>\$ 40,128,661.35</u>
<i>Expenses of Conducting Business</i>		
Advertising		\$ 1,136,650.53
Auditing		139,825.68
Bad Debts:		
(a) Charged Off	\$ 696,957.81	
(b) Addition to Reserve	2,863,270.92	3,560,228.73
Depreciation of Furniture, Fixtures and Equipment		317,605.13
Recording and Acknowledging Fees		16,863.06
Insurance and Fidelity Bonds		127,063.83
Legal Fees and Disbursements		416,676.99
Postage and Express		290,161.85
Printing, Stationery and Supplies		258,888.94
Rent		1,203,597.36
Salaries		7,392,128.49
Supervision and Administration		526,214.48
Taxes (Excluding Federal Taxes on Income):		
(a) State Income	661,628.44	
(b) License Fees	121,406.90	
(c) All Other Taxes	495,090.33	1,278,125.67
Telephone and Telegraph		866,265.63
Travel		376,257.48
Other Expenses of Conducting Business		1,165,672.13
Total		<u>\$ 19,072,225.98</u>
Total Home Office Expenses		2,477,948.60
Interest on Borrowed Funds		6,905,069.65
Total Expenses		<u>\$ 28,455,244.23</u>
Net Earnings Before Income Taxes		<u>\$ 11,673,417.12</u>
Federal Income Taxes		<u>\$ 5,600,617.23</u>
Total Expenses After Income Taxes		<u>\$ 34,055,861.46</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u>\$ 6,072,799.89</u>

EXHIBIT I**LICENSED SMALL LOAN AGENCIES**

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as July 1, 1965:

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
214	Auto Owners Finance Company, Inc.	20 Columbus Ave.
53	Beatty, Charles S., Company	7 Water St.
217	Bell Finance Co. of Boston, Inc.	38 Chauncy St.
63	Belmont Finance Company	333 Washington St.
22	Beneficial Finance Co.	77 Summer St.
57	Beneficial Finance Co.	80 Boylston St.
117	Beneficial Finance Co.	5 Bromfield St.
239	Beneficial Finance Co.	8 Winter St.
66	Beneficial Finance Co.	570 Columbia Rd., Dorchester
231	Beneficial Finance Co.	1257 River St., Hyde Park
204	Beneficial Finance Co.	47 Poplar St., Roslindale
235	Beneficial Finance Co.	105 Dorchester St., South Boston
240	Codman Square Finance Company, Inc.	618 Washington St., Dorchester
238	Coleman Acceptance Trust	18 Tremont St.
89	Commercial Credit Plan Incorporated	150 Tremont St.
328	Dover Acceptance Corp.	126 State St.
92	Family Loan Corporation of Massachusetts	295 Washington St.
149	Family Loan Corporation of Back Bay	161 Massachusetts Ave.
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dorchester
192	Firemen's Finance Company, Inc.	25 Huntington Ave.
29	First Finance Corp. of Mattapan	524 River St., Mattapan
278	Friendly Loan Corporation	21 Porter St., East Boston
93	Goodmans Finance Co.	20 Beacon St.
16	Household Finance Corporation	80 Boylston St.
49	Household Finance Corporation	175 Tremont St.
82	Household Finance Corporation	294 Washington St.
202	Household Finance Corporation	59 Temple Place
223	Household Finance Corporation	47 Winter St.
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
280	Kane Finance Company	520 Boylston St.
315	Liberty Loan Company of Allston	125 Harvard Ave., Allston
102	Liberty Loan Company of Boston	30 Franklin St.
226	Liberty Loan Company of Roslindale	15 Poplar St., Roslindale
176	Local Finance Company	128A Tremont St.
193	Local Finance Company of Boston	453 Washington St.
320	Merit Finance Company, Inc.	73 Tremont St.
5	Nestor-Hall Company	7 Water St.
15	Northeast Finance Corporation	1601 Blue Hill Ave., Mattapan
247	Northeast Finance Corporation	1872 Centre St., West Roxbury
330	Pan-American Finance Corp. of Boston	85 State St.
83	Public Finance Company	333 Washington St.
106	Public Finance Company	171 Tremont St.
111	Public Finance Company	145 Tremont St.
200	Public Finance Company	308 Boylston St.
216	Public Finance Company	79 Milk St.
306	Public Finance Company	501 Washington St.
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian St., East Boston
184	Public Finance Company	1243 River St., Hyde Park
218	Public Finance Company	4258 Washington St., Roslindale
241	Seaboard Finance Company	138 Brighton Ave., Allston
20	Seaboard Finance Company	58 Winter St.
145	State Loan Co.	619 Washington St.
126	State Loan Co. Inc.	584 Columbia Rd., Dorchester
347	Sumner Finance Company	262 Washington St.
319	Universal C. I. T. Credit Company	330 Stuart St.
AGAWAM		
341	Universal C. I. T. Credit Company	324 Walnut St.
AMESBURY		
345	Citizens Acceptance Corporation	41 Main St.
ANDOVER		
98	Andover Finance Company	Musgrove Bldg., Elm Square
ARLINGTON		
326	American Finance Corporation of Middlesex County	6 Alton St.
297	Universal C. I. T. Credit Company	11 Mystic St.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
ATHOL		
162	Public Finance Company	516 Main St.
ATTLEBORO		
48	Beneficial Finance Co.	7 Park St.
252	Blackstone Finance, Inc. of Attleboro	24 Park St.
130	Public Finance Company	8 North Main St.
182	Tri-Boro Finance Co. Inc. of Attleboro	98 Park St.
BEVERLY		
287	American Finance Corporation of Beverly	269 Cabot St.
181	Beneficial Finance Co.	222 Cabot St.
318	Finance Associates of Beverly, Inc.	263 Cabot St.
BROCKTON		
253	Bell Finance Co. of Brockton, Inc.	726 Crescent St.
133	Beneficial Finance Co.	190 Main St.
84	Commercial Credit Plan Incorporated	228 Main St.
194	Household Finance Corporation	172 Main St.
299	Liberty Loan Company of Brockton	226 Main St.
87	Local Finance Company of Brockton	95 Main St.
104	Public Finance Company	142 Main St.
289	Seaboard Finance Company	158 Main St.
190	Time Finance Corporation of Brockton	105 Main St.
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard St.
141	Household Finance Corporation	1330 Beacon St.
BURLINGTON		
222	Bell Finance Co.	226 Cambridge St.
CAMBRIDGE		
71	Beneficial Finance Co.	519 Massachusetts Ave.
134	Beneficial Finance Co.	25 Prospect St.
64	Household Finance Corporation	678 Massachusetts Ave.
80	Household Finance Corporation of Cambridge	27 White St.
296	Liberty Loan Company of Cambridge	684 Massachusetts Ave.
159	Public Finance Company	2 Central Square
242	Seaboard Finance Company	552 Massachusetts Ave.
CHELSEA		
195	Beneficial Finance Co.	375 Broadway
309	Public Finance Company	438 Broadway
CHICOPEE		
234	Beneficial Finance Co.	272 Exchange St.
129	Household Finance Corporation of Chicopee	10 Center St.
CLINTON		
109	Wachusett Finance Corp.	70 High St.
DANVERS		
132	American Finance Corporation of Essex County	2 High St.
EASTHAMPTON		
3	Local Finance Company of Easthampton	57 Union St.
EVERETT		
197	Beneficial Finance Co.	411 Broadway
51	Everett Loan Co. Inc.	427A Broadway
310	Public Finance Company	164 School St.
FALL RIVER		
28	Beneficial Finance Co.	33 Bedford St.
166	Cascade Finance Company	391 South Main St.
165	Commercial Credit Plan Incorporated	364 Central St.
220	Eagle Finance Company	226 South Main St.
10	Fairway Finance Corporation of Fall River	124 South Main St.
18	First Finance Corp. of Fall River	1451 South Main St.
27	Household Finance Corporation	13 Borden St.
12	Liberty Loan and Realty Co. Inc.	204 Thomas St.
209	Local Finance Company of Fall River	17 North Main St.
45	M-A-C Loan Plan, Inc. of Fall River	314 South Main St.
37	Public Finance Company	102 South Main St.
39	Time Finance Corporation of Fall River	304 South Main St.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
FALMOUTH		
288	Beneficial Finance Co.	181 Main Street
FITCHBURG		
32	Beneficial Finance Co.	446 Main St.
85	Fitchburg Finance Corporation	759 Main St.
52	Household Finance Corporation	455 Main St.
74	M-A-C Finance Plan, Inc. of Fitchburg	558 Main St.
273	Public Finance Company	520 Main St.
FRAMINGHAM		
173	Beneficial Finance Co.	106 Concord St.
178	General Finance Corporation of Framingham	129A Concord St.
260	Household Finance Corporation of Framingham	36-46 Concord St.
254	Local Finance Company of Framingham	32 Union Ave.
95	Public Finance Company	18 Union Ave.
FRANKLIN		
36	Franklin Loan Co. Inc.	32A Main St.
GARDNER		
232	Beneficial Finance Co.	47 Parker St.
161	Public Finance Company	11 Pleasant St.
GLOUCESTER		
59	Public Finance Company	82 Main St.
GREAT BARRINGTON		
38	Community Credit Corporation	312 Main St.
21	Pioneer Credit Corporation	337-339 Main St.
GREENFIELD		
146	Beneficial Finance Co.	239 Main St.
153	Guaranty Loan Co. of Greenfield	209 Main St.
283	Household Finance Corporation of Greenfield	158 Main St.
HAVERHILL		
335	American Finance Corporation of Haverhill	11 Washington Square
105	Beneficial Finance Co.	54 Merrimack St.
346	Haverhill Finance Corporation	191 Merrimack St.
261	Household Finance Corporation of Haverhill	91 Merrimack St.
263	Liberty Loan Company of Merrimack	6 Main St.
186	New England Finance Corporation	21 Merrimack St.
120	Public Finance Company	181 Merrimack St.
HOLYOKE		
40	Beneficial Finance Co.	560 Dwight St.
291	Credit Finance Corporation	380 High St.
215	Holyoke Finance Corp.	380 High St.
245	Household Finance Corporation of Holyoke	349 High St.
175	Public Finance Company	346 High St.
HYANNIS		
76	Beneficial Finance Co.	436 Main St.
284	Household Finance Corporation of Hyannis	396 Main St.
338	Local Finance Company of Hyannis	253 Main St.
LAWRENCE		
118	American Finance Corporation of Lawrence	204 Essex St.
147	Beneficial Finance Co.	27 Amesbury St.
277	Community Finance, Inc. of Lawrence	31 Hampshire St.
189	Credit Finance Corporation of Lawrence, Mass.	48 Amesbury St.
262	Household Finance Corporation of Lawrence	380 Essex St.
30	Local Loan & Finance Co. Inc.	79 Common St.
114	Public Finance Company	301 Essex St.
25	Signet Discount Co.	414 Essex St.
LEOMINSTER		
148	Beneficial Finance Co.	51 Main St.
155	Leominster Finance Corporation	10 Monument Square
58	Wachusett Finance Corp.	44 Main St.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
LOWELL		
101	Advance Finance Company	147 Central St.
55	Beneficial Finance Co.	76 Merrimack St.
179	Beneficial Finance Co.	97 Central St.
279	Central Finance Service, Inc.	19 Palmer St.
322	Commercial Credit Plan Incorporated	176 Church St.
313	Fidelity Consumer Finance Corporation	40 Central St.
312	First Finance Corp.	813 Lakeview Ave.
172	Household Finance Corporation	100 Merrimack St.
301	Liberty Loan Company of Lowell	58 Central St.
317	Lowell Finance Company, Inc.	751 Merrimack St.
269	Merrimack Valley Finance Company, Inc.	1 Merrimack St.
14	Public Finance Company	2 Kearney Square
LYNN		
314	American Finance Corporation of Lynn	14 Central Square
122	Beneficial Finance Co.	22 Central Ave.
344	Budget Finance Plan	124 Market St.
154	Household Finance Corporation	341 Union St.
295	Liberty Loan Company	31 Exchange St.
19	Public Finance Company	29 Central Square
229	Seaboard Finance Company of Lynn, Inc.	56 Central Square
41	United Insurance Finance Corporation	14 Central Ave.
MALDEN		
321	Bell Finance Co.	182 Highland Ave.
103	Beneficial Finance Co.	150 Pleasant St.
107	Beneficial Finance Co.	444 Main St.
323	Commercial Credit Plan Incorporated	33 Dartmouth St.
6	Household Finance Corporation	60 Pleasant St.
152	National Finance Company, Inc.	50 Pleasant St.
72	Public Finance Company	5 Pleasant St.
227	State Loan Co. Inc.	482 Main St.
MANSFIELD		
62	The Mansfield Finance Company, Inc.	5 Old Colony Rd.
MARLBOROUGH		
171	Marlboro Finance Corp.	217 Main St.
MEDFORD		
199	Beneficial Finance Co.	10 High St.
188	Household Finance Corporation	11 Salem St.
311	Public Finance Company	24 Riverside Ave.
24	Public Finance Company	648 Fellsway Shopping Plaza
MIDDLEBOROUGH		
250	Beneficial Finance Co.	6 South Main St.
MILFORD		
207	Beneficial Finance Co.	145 Main St.
140	Berardi Loan Company, Inc.	240 Main St.
255	Local Finance Company of Milford	179 Main St.
110	Milford Finance Corporation	198 Main St.
NATICK		
236	M-A-C Loan Plan, Inc. of Natick	11A West Central St.
NEW BEDFORD		
44	Beneficial Finance Co.	758 Purchase St.
219	Beneficial Finance Co.	1225 Acushnet Ave.
336	Bristol Acceptance Trust, Inc.	292 Union St.
46	Community Plan Incorporated	558 Pleasant St.
77	Household Finance Corporation	852 Purchase St.
26	Luzo Corporation of America	139 Rivet St.
228	Personal Financing Plan, Inc.	634 Pleasant St.
90	Public Finance Company	749 Purchase St.
100	Seaboard Finance Company	71 William St.
7	Wamsutta Finance Co. Inc.	222 Union St.
NEWBURYPORT		
150	Beneficial Finance Co.	65 State St.
9	First Finance Corp. of Newburyport	17 Green St.
NEWTON		
303	Associates Consumer Finance Company, Inc.	210 Boylston St.
201	Beneficial Finance Co.	325 Walnut St., Newtonville
348	Brainerd Finance Company	1279 Washington St., West Newton

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
NORTH ADAMS		
151	Beneficial Finance Co.	59 Main St.
298	Fairway Finance Corporation of North Adams	42 Main St.
307	Liberty Loan Company of Adams	14 Ashland St.
42	M-A-C Finance Plan, Inc. of North Adams	15 Bank St.
NORTH ATTLEBOROUGH		
54	Public Finance Company	31 N. Washington St.
121	Tri-Boro Finance Company, Inc.	11 S. Washington St.
NORTHAMPTON		
264	Household Finance Corporation of Northampton	70 Main St.
35	Local Finance Company of Northampton	159 Main St.
113	M-A-C Finance Plan, Inc. of Northampton	142 Main St.
NORWOOD		
196	Beneficial Finance Co.	643 Washington St.
282	Household Finance Corporation of Norwood	661 Washington St.
158	Public Finance Company	705 Washington St.
PALMER		
274	Guaranty Loan Co. of Palmer	366 Main St.
PEABODY		
144	Household Finance Corporation of Peabody	North Shore Shopping Center
324	Liberty Loan Company of Essex	2 Main St.
256	Local Finance Company of Peabody	70 Main St.
PITTSFIELD		
88	Beneficial Finance Co.	74 North St.
4	Budget Finance Plan	278 North St.
230	Commercial Credit Plan Incorporated	25 First St.
265	Household Finance Corporation of Pittsfield	86 North St.
185	M-A-C Finance Plan, Inc. of Pittsfield	51 North St.
286	Pioneer Credit Corporation	30 North St.
170	Public Finance Company	137 North St.
206	Universal C. I. T. Credit Company	184 North St.
PLYMOUTH		
203	Beneficial Finance Co.	25 Main St.
333	Local Finance Company of Plymouth	20 Court St.
QUINCY		
248	American Finance Corporation of Quincy	1620 Hancock St.
136	Beneficial Finance Co.	113 Parkingway
75	Family Loan Corporation of Quincy	10 Chestnut St.
180	Household Finance Corporation	148 Parkingway
304	Local Finance Company of Quincy	1388 Hancock St.
116	Public Finance Company	67 Parkingway
243	Seaboard Finance Company	1511 Hancock St.
169	Time Finance Corporation of Quincy	1426 Hancock St.
RANDOLPH		
340	Bell Finance Co. of Randolph, Inc.	311 N. Main St.
REVERE		
246	Paul Revere Loan Association, Inc.	236 Broadway
ROCKLAND		
257	Local Finance Company of Rockland	257 Union St.
SALEM		
294	American Finance Corporation of Essex County	16 New Derby St.
137	Beneficial Finance Co.	116 Washington St.
183	Household Finance Corporation	75 Washington St.
271	Public Finance Company	228 Essex St.
56	State Loan Co. Inc.	247 Essex St.
SAUGUS		
198	Household Finance Corporation of Saugus	627 Broadway
SHREWSBURY		
23	Public Finance Company	384C Maple Ave.
349	Universal C. I. T. Credit Company	Retail Stores Bldg., White City Shopping Center

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
SOMERSET		
225	Local Finance Company of Somerset	933 County St.
SOMERVILLE		
33	Beneficial Finance Co.	258 Elm St.
96	Family Loan Corporation of Somerville	7 Davis Square
177	Household Finance Corporation	249 Elm St.
329	People's Finance Company of Boston, Inc.	490 Broadway
272	Public Finance Company	409A Highland Ave.
211	State Loan Co. of Somerville	128 Dover St.
SOUTHBRIDGE		
191	Morrison Finance Corporation	1 Elm St.
187	Public Finance Company	284 Main St.
SPRINGFIELD		
332	American Finance Corporation of Springfield	18 Vernon St.
91	Associates Consumer Finance Company, Inc.	19 Catherine St.
50	Beneficial Finance Co.	1277 Main St.
73	Beneficial Finance Co.	1618 Main St.
167	Commercial Credit Plan Incorporated	297 Bridge St.
292	Credit Finance Corporation	163 State St.
212	Guaranty Loan Plan of Springfield, Inc.	1537 Main St.
139	Household Finance Corporation	1431 Main St.
125	Ideal Budget Plan, Inc.	1421 Main St.
86	Liberty Loan Company of Springfield	145 State St.
343	M-A-C Finance Plan, Inc. of Forest Park	390 Dickinson St.
8	M-A-C Finance Plan, Inc. of Springfield	50 Vernon St.
60	New Method Finance Corporation	1688 Main St.
142	Pioneer Valley Acceptance Corporation	1490 Main St.
163	Public Finance Company	1570 Main St.
281	Savoy, J. R., Finance Co., Inc.	66 Vernon St.
276	Seaboard Finance Company	1645 Main St.
78	Springfield Acceptance Co.	1250 Main St.
STONEHAM		
266	Household Finance Corporation of Stoneham	83 Main St.
STOUGHTON		
308	Local Finance Company of Stoughton	54 Porter St.
TAUNTON		
81	Beneficial Finance Co.	25 Main St.
268	Blackstone Finance Inc. of Taunton	6 Trescott St.
70	Liberty Loan Company of Taunton	4 Cedar St.
258	Local Finance Company of Taunton	3 Main St.
67	Taunton Loan Co.	28 Broadway
WAKEFIELD		
237	Beneficial Finance Co.	407 Main St.
97	First Finance Corp. of Wakefield	43 Tuttle St.
WALPOLE		
156	Fairway Finance Corporation of Walpole	940 Main St.
WALTHAM		
135	Beneficial Finance Co.	371 Moody St.
79	Household Finance Corporation	333 Moody St.
302	Liberty Loan Company of Waltham	6 Cushing St.
123	Public Finance Company	389 Moody St.
244	Seaboard Finance Company	24 Crescent St.
WARE		
17	Guaranty Loan Co. of Ware	5 Bank St.
WAREHAM		
267	Wilson Finance Corporation of Wareham	Shoppers Plaza
WATERTOWN		
334	American Finance Corporation of Watertown	34 Mt. Auburn St.
325	Better Budget, Inc.	8 Bigelow Ave.
138	Fairway Finance Corporation of Watertown	2A Mt. Auburn St.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WEBSTER

164	Crown Finance Company, Inc.	224 Main St.
168	People's Finance Company, Inc.	112 Main St.

WESTFIELD

112	Beneficial Finance Co.	90 Elm St.
108	Pioneer Loan & Finance Corporation	99 Elm St.
285	Public Finance Company	53 Elm St.

WEYMOUTH

127	Household Finance Corporation of Weymouth	435 Washington St.
275	Liberty Loan Company of Weymouth	15 Washington St.

WHITINSVILLE

339	Wilson Finance Corporation	159 Church St.
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WINTHROP

342	Highland Enterprises, Inc.	196 Hagman Rd.
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WOBURN

128	American Finance Corporation of Middlesex County	446 Main St.
205	Beneficial Finance Co.	371 Main St.
259	Local Finance Company of Woburn	341 Main St.

WOLLASTON

11	First Finance Corp. of Wollaston	43 Billings Rd.
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WORCESTER

124	Associates Consumer Finance Company, Inc.	9 Walnut St.
115	Beneficial Finance Co.	36 Franklin St.
157	Beneficial Finance Co.	2 Foster St.
270	Beneficial Finance Co.	1125A Main St.
174	Budget Finance Plan	421 Main St.
331	City Finance, Inc.	340 Main St.
94	Commercial Credit Plan Incorporated	290 Main St.
327	Consumers Financing Service, Inc.	8 Norwich St.
337	First Finance Corp. of Worcester	74 Franklin St.
131	Household Finance Corporation	545G Lincoln St.
224	Household Finance Corporation	390 Main St.
316	Household Finance Corporation of Worcester	1073 Main St.
34	Italian Finance Company of Worcester	157 Shrewsbury St.
251	Liberty Loan Company of Massachusetts	414 Main St.
119	M-A-C Finance Plan, Inc. of Worcester	34 Mechanic St.
221	M-A-C Loan Plan, Inc.	332 Main St.
210	New Method Finance Corporation	544 Main St.
13	Public Finance Company	390 Main St.
69	Public Finance Company	507 Main St.
68	Seaboard Finance Company	263 Park Ave.
249	Seaboard Finance Company	405 Main St.
213	Time Finance Corporation of Worcester	496 Park Ave.

MASS.
DOCS.
COLL.

The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES



ANNUAL REPORT
OF THE
COMMISSIONER OF BANKS
FOR THE
Year Ending December 31, 1966

RELATING TO
LICENSED SMALL LOAN LENDERS

PUBLICATION OF THIS DOCUMENT APPROVED BY ALFRED C. HOLLAND, STATE PURCHASING AGENT

The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES

State Office Building, Government Center
100 Cambridge Street, Boston

COMMISSIONER OF BANKS

JOHN B. HYNES

DEPUTY COMMISSIONER OF BANKS

WILLIAM P. MORRISSEY

DEPUTY COMMISSIONER OF BANKS

AND

GENERAL COUNSEL

JOHN P. CLAIR

ACTING SUPERVISOR OF LOAN AGENCIES

WILLIAM P. BROWNE

ASSISTANT SUPERVISOR AND RATE ANALYST

ROBERT S. LEADBETTER

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The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS

State Office Building, Government Center
100 Cambridge Street, Boston

JUNE 15, 1967

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1966.

Respectfully,

JOHN B. HYNES

Commissioner of Banks

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing—as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1966, there were three hundred and forty-nine small loan licenses outstanding.

During the calendar year, 1966, 276,214 loans of \$3,000 or less amounting to \$181,029,088.42, which is less unearned charges, were made. These figures represent a decrease of 33,148 in the number of loans made and a decrease of \$11,786,212.56 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$655.39 as compared to \$623.27 for the calendar year, 1965.

On December 31, 1966, there were 294,677 regulated loans of \$3,000 or less outstanding with a face value of \$201,716,623.34 which includes unearned charges amounting to \$35,768,185.48. These figures represent a decrease of 3,240 in the number and an increase of \$6,547,735.28 in the amount of *net* loans outstanding since the beginning of the calendar year.

The average net loan outstanding on December 31, 1966 was \$563.15 as compared with \$540.24 on December 31, 1965.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$3,711,192.88.

Gross income for the period totaled \$37,795,349.20 of which \$216,160.89 represents recoveries on loans previously charged off and \$269,784.08 represents other income. Operating expenses aggregating \$16,324,913.71 include \$2,459,249.28 of home office expenses; charge-offs on bad debts amounting to \$805,200.52 and an addition of \$2,765,770.35 to the valuation reserve combine to make a total expense of \$19,895,884.58 which deducted from gross income, leaves a balance of \$17,899,464.62, representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$5,764,583.42 remains after deducting interest on borrowed funds amounting to \$7,214,941.28 and federal income taxes amounting to \$4,919,939.92.

As of December 31, 1966, the book assets amounted to \$174,607,408.23. The cash in office and in banks amounted to \$2,753,787.95 which includes \$602,121.37 in compensating balances. Home office assets allocated to Massachusetts licensees consist of cash of \$5,878,448.35 and other assets of \$1,982,238.33 making a total of \$7,860,686.68. Compensating balances included in the allocation amount to \$3,389,743.85, which when totaled will produce compensating balances of \$3,991,865.22. Total assets as shown in Exhibit B less compensating balances, produce assets of \$170,615,543.01.

This department does not consider compensating balances to be assets. They are used here as deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The reports of First Personal Bankers, Inc., License Number 233; J. R. Savoy Finance Co., Inc., License Number 281; Pan-American Finance Corp. of Boston, License Number 330, and the reports of First Finance Corp. who hold nine licenses were not used in the compilation of these figures due to unusual and extraordinary circumstances.

The maximum interest charges permitted on loans of \$3,000.00 or less for licensed small loan lenders is $2\frac{1}{2}\%$ per month on any part of the unpaid principal balance not exceeding \$200; 2% per month on any part of the unpaid principal balance exceeding \$200.00 but not exceeding \$600; $1\frac{3}{4}\%$ per month on that part of the unpaid principal balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1% per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6% per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000.00 or less for *unlicensed lenders* is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charges permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over twenty-five thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

SMALL LOAN CASES: COURT AND ADMINISTRATIVE ACTION

After five months, or 103 trial days, a jury in the Suffolk Superior Court on December 18, 1966, returned verdicts of guilty as follows:

Household Finance Corporation, indictments No. 11900 and 11910, conspiracy to bribe; and indictment No. 11995 in two counts of giving, offering or promising a bribe.

Beneficial Finance Co., indictments No. 11900 and 11910, conspiracy to bribe; and indictment No. 11901 in two counts of giving, offering or promising a bribe.

Liberty Loan Corporation, indictments No. 11900 and 11910, conspiracy to bribe; and indictment No. 11997 in two counts of giving, offering or promising a bribe.

Five employees or agents of the above-named companies or wholly-owned subsidiary entities were found guilty of crimes charged in various indictments.

The three respondents, Household Finance Corporation; Beneficial Finance Co.; and Liberty Loan Corporation were each fined \$12,000. The Court ordered a stay of execution of the sentences against the three companies, as well as a stay of execution of the sentences levied against the five individuals

found to be guilty by jury verdict pending appeal to the Supreme Judicial Court.

The respondent corporations and the individuals referred to have filed claims of appeal to the Supreme Judicial Court.

On January 10, 1967 the Commissioner of Banks gave notice by mail to Household Finance Corporation, Beneficial Finance Co., and Liberty Loan Corporation of his intention to hold a public hearing in order to give the respondents an opportunity to show cause why the licenses under which they operate in this Commonwealth should not be suspended or revoked.

The public hearing was held on Wednesday, January 25, 1967 in a hearing room in the State Office Building, 100 Cambridge Street, Boston.

On March 1, 1967, the Commissioner of Banks promulgated the following: "ORDER: That the licenses of the respondent Household Finance Corporation and its wholly-owned subsidiaries; the licenses of Industrial Bankers d/b/a Beneficial Finance Co., New England Equity d/b/a Beneficial Finance Co., Webster Associates d/b/a Beneficial Finance Co., and Workingmen's Loan Association d/b/a Beneficial Finance Co.; and the licenses of the wholly-owned business trusts of the Liberty Loan Corporation to do business under Chapter 140, General Laws, or Chapter 255D, General Laws as they may hold such latter licenses, shall stand suspended for a period of five (5) months, beginning May 1, 1967 and remain suspended until the termination of the current term of the licenses on September 30, 1967 or, in the event of a stay in the enforcement of this decision by a Court of this Commonwealth, then for a period of five (5) consecutive months, irrespective of the statutory license year, and effective immediately upon final disposition of the matter by the Courts of this Commonwealth.

"Notwithstanding the foregoing the small loan offices of the companies or trusts may remain open during the period of suspension for the purpose only of collecting receivables, and shall not during the period of suspension relocate any office, or renew, rewrite, or extend any outstanding loan, retail installment sale agreement or revolving credit agreement, except with express permission of the Commissioner of Banks; and be it a further

ORDER: That during the period of the suspension of the small loan licenses, as ordered herein, and continuing thereafter, the officers, agents, or employees of the parent companies or their subsidiaries, found guilty by a jury in Suffolk Superior Court on December 18, 1966, of certain crimes against public justice, shall not be associated with or engaged in any manner whatsoever with any small loan agency doing business under license granted by the Commissioner of Banks, except and unless waiver is granted for good and substantial reason by the Commissioner."

On March 15, 1967, upon petition to the Superior Court in Equity by the respondent companies, said Court entered a preliminary injunction staying the Findings and Order of the Commissioner of Banks and on April 5, 1967, the Superior Court in Equity continued said injunction until further order of the Court.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1966

CHAPTER	AMENDMENT TO:	DESCRIPTION
133	G. L., C. 255C, s. 21.	Providing that the cancellations of motor vehicle liability policies for nonpayment of financed premiums shall not take effect if full payment is made at least three days prior to the intended effective dates of such cancellations.
284	New Chapter 255D of the General Laws; G. L., C. 255B, s. 1, 9, 14A, 20A, and 20B.	An Act Regulating Certain Retail Installment Sales and Services and amending the law pertaining to motor vehicle retail installment sales, requiring, among other things, simple annual interest disclosure under both statutes.
	G. L., C. 255, s. 12, 12A, 12B, 12D, 13, 13B, 13C and 13G.	Sections repealed.
423	G. L., C. 175, new s. 176A; G. L., C. 255C, s. 5.	An Act Relative to Return Premiums Received by or Credited to Insurance Agents and Brokers; also amending the insurance premium finance law.
587	New Chapter 140A of the General Laws; G. L., C. 255B, s. 14A; G. L., C. 255C, s. 1 and 13.	An Act Requiring the Disclosure of Finance Charges in Connection With Extensions of Credit.

REGULATIONS AND DIRECTIVES

There are described below regulations and a directive of the Commissioner of Banks promulgated during the calendar year 1966.

July 25, 1966	Relative to the issuance of checks of premium finance agencies.
October 10, 1966	Governing certain retail installment sales and services pursuant to the provisions of new C. 255D, G. L.
December 1, 1966	Guide lines for compliance with the provisions of C. 140A, G. L.

The Commonwealth of Massachusetts
ANNUAL REPORT OF THE COMMISSIONER OF BANKS
FOR THE YEAR ENDED DECEMBER 31, 1966
(General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1966
(Loan Business of \$3,000 or Less)

LICENSED AGENCIES
349

Receivables:

(a) Gross Amount	\$201,716,623.34
(b) Less: Unearned Charges	35,768,185.48
(c) Less: Allowance for Bad Debts	4,526,386.11

(d) Net Receivables	\$161,422,051.75
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Cash in Office and in Banks	2,753,787.95
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Real Estate (Less Allowance for Depreciation-Bldgs.)	175,213.16
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Furniture, Fixtures, Equipment (Less Allowance for Depreciation)	836,290.64
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Deferred Charges or Prepaid Expense	229,502.09
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Other Assets:

(a) Organization and Development Expense	\$ 42,373.62
(b) Cost of Financing	16,837.16
(c) Investments	642,519.02
(d) Miscellaneous Notes and Accts. Receivable	555,622.58
(e) Miscellaneous	72,523.58
	1,329,875.96

Total Assets	\$166,746,721.55
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Home Office Assets Allocated to Massachusetts Licensees	7,860,686.68
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Total	\$174,607,408.23
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Compensating Balances Included in Cash	\$ 602,121.37
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Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees	3,389,743.85
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Total Compensating Balances Included in Assets	\$ 3,991,865.22
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EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1966

(Loan Business of \$3,000 or Less)

Gross Income

Charges Collected and/or Earned	\$ 36,252,219.00	
Delinquency Charges Collected	1,057,185.23	
Collection on Accounts Previously Charged Off	216,160.89	
Other Income:		
(a) Gain on Sale of Assets	39,118.42	
(b) Income from Investments	218,920.22	
(c) Miscellaneous	11,745.44	
Total Gross Income		<u>\$ 37,795,349.20</u>

Expenses of Conducting Business

Advertising		\$ 1,188,298.58
Auditing		87,414.91
Bad Debts:		
(a) Charged Off	\$ 805,200.52	
(b) Addition to Reserve	2,765,770.35	3,570,970.87
Depreciation of Furniture, Fixtures and Equipment		234,796.73
Recording and Acknowledging Fees		6,507.89
Insurance and Fidelity Bonds		148,862.83
Legal Fees and Disbursements		391,033.82
Postage and Express		235,897.67
Printing, Stationery and Supplies		200,701.85
Rent		1,121,432.99
Salaries		6,656,600.94
Supervision and Administration		434,937.88
Taxes (Excluding Federal Taxes on Income):		
(a) State Income	\$ 425,949.23	
(b) License Fees	119,585.98	
(c) All Other Taxes	463,832.50	1,009,367.71
Telephone and Telegraph		798,634.05
Travel		326,325.77
Other Expenses of Conducting Business		1,024,850.81
Total		<u>\$ 17,436,635.30</u>
Total Home Office Expenses		2,459,249.28
Interest on Borrowed Funds		7,214,941.28
Total Expenses		<u>\$ 27,110,825.86</u>
Net Earnings Before Federal Income Taxes		<u>\$ 10,684,523.34</u>
Federal Income Taxes		<u>\$ 4,919,939.92</u>
Total Expenses After Income Taxes		<u>\$ 32,030,765.78</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u>\$ 5,764,583.42</u>

EXHIBIT D

ANALYSIS OF LOANS BY SIZE

(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount</i>
Total Loan Balances Outstanding (Less Unearned Charges) at Beginning of Period	297,917	\$159,400,702.58
Loans Made During the Period:		
(a) Loans of \$ 100.00 or Less	6,959	469,992.08
(b) Loans of 100.01 to \$ 200.00	30,267	4,261,032.76
(c) Loans of 200.01 to 300.00	31,590	7,677,512.06
(d) Loans of 300.01 to 400.00	33,176	11,230,370.34
(e) Loans of 400.01 to 500.00	27,719	12,363,177.22
(f) Loans of 500.01 to 600.00	27,333	14,852,140.08
(g) Loans of 600.01 to 1,000.00	62,151	47,901,253.84
(h) Loans of 1,000.01 to 1,500.00	38,897	46,928,001.02
(i) Loans of \$1,500.01 to \$3,000.00	18,122	35,345,609.02
Total Loans Made During the Period	276,214	\$181,029,088.42
Loan Balances Purchased During the Period	10,907	5,869,260.09
Loan Balances Sold During the Period	9,330	5,170,752.81
Loan Balances Charged Off During the Period	9,293	3,711,192.88
Collections During the Period	—	171,468,667.54
Total Loan Balances Outstanding (Less Unearned Charges) at the End of the Period	294,677	\$165,948,437.86

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY

(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount</i>
Loans Made During the Period Based in Whole or in Larger Part on:		
(a) Chattel Mortgages on Household Goods	113,615	\$100,807,322.18
(b) Automobiles	16,652	14,129,529.21
(c) Real Estate	148	207,800.05
(d) Other Chattels	4,134	3,584,135.54
(e) Unsecured Notes	131,852	56,135,037.34
(f) Endorsed and/or Co-maker Notes	8,461	4,860,396.21
(g) Wage Assignments	26	12,530.94
(h) Other Considerations	1,326	1,292,336.95
Total	276,214	\$181,029,088.42

EXHIBIT F

SUITS, POSSESSIONS AND SALE OF CHATTELS
(Loans of \$3,000 or Less)

	Number	Amount Due
Suits for Recovery:		
(a) Pending at Close of Previous Period	2,875	\$ 1,430,747.37
(b) Instituted During Period	2,347	1,469,722.83
(c) Total	5,222	\$ 2,900,470.20
(d) Judgment Secured During Period	1,464	\$ 830,912.29
(e) Settled Before Judgment During the Period	616	324,843.82
(f) Total	2,080	\$ 1,155,756.11
(g) Pending at Close of Current Period	3,142	\$ 1,744,714.09
Wage Assignments Filed During Period	98	\$ 52,776.25
Possession of Chattels Obtained by Licensee:		
(a) By Legal Process or Contract Right:		
(1) Household Goods	2	\$ 892.06
(2) Automobiles	39	\$ 42,996.27
(3) Other Chattels and Property	5	\$ 2,114.02
(b) By Voluntary Surrender:		
(1) Household Goods	12	\$ 10,017.94
(2) Automobiles	68	\$ 74,217.31
(3) Other Chattels and Property	6	\$ 2,557.86
Sale of Chattels by Licensee:		
	Number	Amount
(a) With Borrower's Consent	87	Amount Due \$ 77,092.77
(b) Without Borrower's Consent	29	Amount \$ 34,231.49
		Collected
		\$ 25,740.67
		\$ 16,467.60

EXHIBIT G

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1966
(Total Loan and Finance Business)

ASSETS			
Receivables:			
(a) Gross Amount			\$232,205,362.07
(b) Less: Unearned Charges			38,798,860.84
(c) Less: Allowance for Bad Debts			5,316,765.87
(d) Net Receivables			<u>\$188,089,735.36</u>
Cash in Office and in Banks			4,652,313.52
Real Estate (Less Allowance for Depreciation-Buildings)			550,356.36
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)			999,519.06
Deferred Charges or Prepaid Expense			341,410.83
Other Assets:			
(a) Organization and Development Expense	\$	51,129.97	
(b) Cost of Financing		29,929.33	
(c) Investments		1,240,740.95	
(d) Miscellaneous Notes and Accounts Receivable		2,532,453.78	
(e) Miscellaneous		95,080.16	3,949,334.19
Total Assets			<u><u>\$198,582,669.32</u></u>
Home Office Assets Allocated to Massachusetts Licensees			8,449,295.46
Total			<u><u>\$207,031,964.78</u></u>
LIABILITIES AND CAPITAL			
Accounts and Notes Payable:			
(a) Banks	\$	11,582,125.70	
(b) Due to Parent Company or Affiliate		58,627,489.03	
(c) Other Short Term Notes and Accounts		5,192,448.81	\$ 75,402,063.54
Bonds			3,262,977.91
Long Term Notes			5,234,618.93
Investment Certificates			1,710,179.96
Other Liabilities:			
(a) Accrued Expenses		679,521.74	
(b) Other Expense Reserves		1,710,324.48	2,389,846.22
Branch Office Capital			75,670,476.63
Net Worth (If Individual or Partnership)			298,760.33
Capital Stock (If Corporation):			
(a) Preferred		2,642,924.37	
(b) Common		10,213,684.22	12,856,608.59
Paid In Surplus			5,521,766.76
Appropriated Surplus or Capital Reserves			482,755.49
Retained Earnings			15,752,614.96
Total Liabilities and Capital			<u><u>\$198,582,669.32</u></u>
Compensating Balances Included in Cash			\$ 1,543,939.71
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees			3,748,584.78
Total Compensating Balances Included in Assets			<u><u>\$ 5,292,524.49</u></u>

EXHIBIT H

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1966

(Total Loan and Finance Business)

<i>Gross Income</i>	
Charges Collected and/or Earned	\$ 40,310,272.02
Delinquency Charges Collected	1,186,344.70
Collections on Accounts Previously Charged Off	269,405.32
Other Income:	
(a) Gain on Sale of Assets	44,800.23
(b) Income from Investments	445,668.14
(c) Miscellaneous	134,038.75
Total Gross Income	<u>\$ 42,390,529.16</u>
<i>Expenses of Conducting Business</i>	
Advertising	\$ 1,258,203.28
Auditing	136,077.34
Bad Debts:	
(a) Charged Off	841,523.86
(b) Addition to Reserve	<u>3,486,881.71</u>
	4,328,405.57
Depreciation of Furniture, Fixtures, and Equipment	286,949.73
Recording and Acknowledging Fees	21,278.18
Insurance and Fidelity Bonds	189,882.21
Legal Fees and Disbursements	462,946.15
Postage and Express	273,778.30
Printing, Stationery and Supplies	247,004.55
Rent	1,271,180.01
Salaries	7,865,444.18
Supervision and Administration	503,599.00
Taxes (Excluding Federal Taxes on Income):	
(a) State Income	498,261.84
(b) License Fees	132,141.73
(c) All Other Taxes	<u>535,486.35</u>
	1,165,889.92
Telephone and Telegraph	912,531.43
Travel	397,572.66
Other Expenses of Conducting Business	1,288,621.36
Total	<u>\$ 20,609,363.87</u>
Total Home Office Expenses	2,629,556.95
Interest on Borrowed Funds	8,477,081.90
Total Expenses	<u>\$ 31,716,002.72</u>
Net Earnings Before Federal Income Taxes	<u>\$ 10,674,526.44</u>
Federal Income Taxes	\$ 5,206,431.91
Total Expenses After Income Taxes	<u>\$ 36,922,434.63</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds	<u>\$ 5,468,094.53</u>

EXHIBIT I

LICENSED SMALL LOAN AGENCIES

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of June 1, 1967:

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
53	Beatty, Charles S., Company	7 Water Street
217	Bell Finance Co. of Boston, Inc.	38 Chauncy Street
63	Belmont Finance Company	333 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	80 Boylston Street
117	Beneficial Finance Co.	5 Bromfield Street
239	Beneficial Finance Co.	8 Winter Street
66	Beneficial Finance Co.	570 Columbia Rd., Dorchester
231	Beneficial Finance Co.	1257 River St., Hyde Park
204	Beneficial Finance Co.	47 Poplar Street, Roslindale
235	Beneficial Finance Co.	105 Dorchester St., So. Boston
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plan Incorporated	150 Tremont Street
93	Dial Finance Company of Boston, Inc.	15 School Street
186	Dial Finance Company of Boston No. 1 Inc.	20 Columbus Avenue
328	Dover Acceptance Corp.	126 State Street
92	Family Loan Corporation of Massachusetts	41 Winter Street
149	Family Loan Corporation of Back Bay	161 Massachusetts Avenue
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dorchester
192	Firemen's Finance Company, Inc.	25 Huntington Avenue
29	First Finance Corp. of Mattapan	524 River St., Mattapan
278	Friendly Loan Corporation	21 Porter St., East Boston
356	G. A. C. Finance Corporation of Boston	330 Stuart Street
16	Household Finance Corporation	80 Boylston Street
49	Household Finance Corporation	175 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
223	Household Finance Corporation	47 Winter Street
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
280	Kane Finance Company	225 Franklin Street
176	Local Finance Company	128a Tremont Street
193	Local Finance Company of Boston	453 Washington Street
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nestor-Hall Company	7 Water Street
15	Northeast Finance Corporation	1601 Blue Hill Ave., Mattapan
247	Northeast Finance Corporation	1872 Centre St., West Roxbury
354	Postal Finance Company, Inc.	262 Washington Street
111	Public Finance Company	145 Tremont Street
200	Public Finance Company	308 Boylston Street
216	Public Finance Company	333 Washington Street
306	Public Finance Company	501 Washington Street
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian St., East Boston
184	Public Finance Company	1232 River Street, Hyde Park
218	Public Finance Company	4258 Washington St., Roslindale
241	Seaboard Finance Company	138 Brighton Ave., Allston
20	Seaboard Finance Company	58 Winter Street
145	State Loan Co.	619 Washington Street
347	Sumner Finance Company	262 Washington Street
319	Universal C.I.T. Credit Company	330 Stuart Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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AGAWAM

341	Universal C. I. T. Credit Company	324 Walnut Street
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AMESBURY

345	Citizens Acceptance Corporation	41 Main Street
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ANDOVER

98	Andover Finance Company	Musgrove Bldg., Elm Square
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ARLINGTON

326	American Finance Corporation of Middlesex County ..	457 Massachusetts Avenue
297	Universal C. I. T. Credit Company	11 Mystic Street

ATHOL

162	Public Finance Company	516 Main Street
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ATTLEBORO

48	Beneficial Finance Co.	7 Park Street
252	Blackstone Finance, Inc. of Attleboro	25 Bank Street
130	Public Finance Company	8 North Main Street
182	Tri-Boro Finance Co., Inc. of Attleboro	98 Park Street

BEVERLY

287	American Finance Corporation of Beverly	269 Cabot Street
181	Beneficial Finance Co.	238 Cabot Street
318	Finance Associates of Beverly, Inc.	263 Cabot Street

BRAINTREE

240	South Shore Finance Company, Inc.	250 Granite Street
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BROCKTON

253	Bell Finance Co. of Brockton, Inc.	726 Crescent Street
133	Beneficial Finance Co.	190 Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
194	Household Finance Corporation	172 Main Street
299	Liberty Loan Company of Brockton	231 Main Street
87	Local Finance Company of Brockton	95 Main Street
353	New Hampshire Finance, Inc.	Westgate Shopping Center Store 12
104	Public Finance Company	142 Main Street
289	Seaboard Finance Company	158 Main Street
190	Time Finance Corporation of Brockton	105 Main Street
350	Universal C. I. T. Credit Company	286 N. Main Street

BROOKLINE

160	Beneficial Finance Co.	269 Harvard Street
141	Household Finance Corporation	1330 Beacon Street
47	New Hampshire Finance, Inc.	1300 Beacon Street

BURLINGTON

222	Bell Finance Co. of Woburn, Inc.	226 Cambridge Street
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CAMBRIDGE

71	Beneficial Finance Co.	519 Massachusetts Avenue
134	Beneficial Finance Co.	622 Massachusetts Avenue
64	Household Finance Corporation	678 Massachusetts Avenue
80	Household Finance Corporation of Cambridge	27 White Street
296	Liberty Loan Company of Cambridge	684 Massachusetts Avenue
159	Public Finance Company	2 Central Square
242	Seaboard Finance Company	552 Massachusetts Avenue

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
CANTON		
290	Time Finance Co. of Canton	612 Washington Street
CHELSEA		
195	Beneficial Finance Co.	279 Broadway
309	Public Finance Company	438 Broadway
CHICOPEE		
234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corporation of Chicopee	10 Centre Street
CLINTON		
109	Wachusett Finance Corp.	70 High Street
DANVERS		
132	American Finance Corporation of Essex County	2 High Street
DEDHAM		
357	Time Finance Company of Dedham	515 Providence Highway
EASTHAMPTON		
3	Local Finance Company of Easthampton	57 Union Street
EVERETT		
197	Beneficial Finance Co.	411 Broadway
51	Everett Loan Co., Inc.	427a Broadway
310	Public Finance Company	164 School Street
FAIRHAVEN		
351	Universal C. I. T. Credit Company	102 Huttleston Avenue
FALL RIVER		
28	Beneficial Finance Co.	33 Bedford Street
166	Cascade Finance Company	391 South Main Street
165	Commercial Credit Plan Incorporated	364 Central Street
10	Fairway Finance Corporation of Fall River	124 South Main Street
18	First Finance Corp. of Fall River	1451 South Main Street
27	Household Finance Corporation	13 Borden Street
12	Liberty Loan and Realty Co., Inc.	204 Thomas Street
209	Local Finance Company of Fall River	17 North Main Street
45	M-A-C Loan Plan, Inc. of Fall River	314 South Main Street
37	Public Finance Company	102 South Main Street
39	Time Finance Corporation of Fall River	304 South Main Street
FALMOUTH		
288	Beneficial Finance Co.	181 Main Street
FITCHBURG		
32	Beneficial Finance Co.	347 Main Street
85	Fitchburg Finance Corporation	765 Main Street
52	Household Finance Corporation	455 Main Street
74	M-A-C Finance Plan, Inc. of Fitchburg	558 Main Street
273	Public Finance Company	516 Main Street
FRAMINGHAM		
173	Beneficial Finance Co.	106 Concord Street
178	General Finance Corporation of Framingham	129A Concord Street
260	Household Finance Corporation of Framingham	36 Concord Street
254	Local Finance Company of Framingham	32 Union Avenue
95	Public Finance Company	18 Union Avenue

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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FRANKLIN

36	Franklin Loan Co., Inc.	32A Main Street
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GARDNER

232	Beneficial Finance Co.	47 Parker Street
161	Public Finance Company	11 Pleasant Street

GLOUCESTER

59	Public Finance Company	82 Main Street
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GREAT BARRINGTON

38	Community Credit Corporation	312 Main Street
21	Pioneer Credit Corporation	337 Main Street

GREENFIELD

146	Beneficial Finance Co.	239 Main Street
153	Guaranty Loan Co. of Greenfield	209 Main Street
283	Household Finance Corporation of Greenfield	158 Main Street

HAVERHILL

335	American Finance Corporation of Haverhill	11 Washington Square
105	Beneficial Finance Co.	135 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corporation of Haverhill	91 Merrimack Street
263	Liberty Loan Company of Merrimack	6 Main Street
120	Public Finance Company	181 Merrimack Street

HOLYOKE

40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Co. of Holyoke, Inc.	320 High Street
245	Household Finance Corporation of Holyoke	353 High Street
175	Public Finance Company	346 High Street
291	Signal Finance Corporation	380 High Street

HYANNIS

76	Beneficial Finance Co.	436 Main Street
284	Household Corporation of Hyannis	396 Main Street
338	Local Finance Company of Hyannis	253 Main Street

LAWRENCE

118	American Finance Corporation of Lawrence	204 Essex Street
147	Beneficial Finance Co.	27 Amesbury Street
277	Community Finance, Inc. of Lawrence	125 Amesbury Street
262	Household Finance Corporation of Lawrence	380 Essex Street
30	Local Loan & Finance Co., Inc.	79 Common Street
114	Public Finance Company	301 Essex Street
189	Signal Finance Corporation of Lawrence	48 Amesbury Street
25	Signal Discount Co.	414 Essex Street

LEOMINSTER

148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corporation	10 Monument Square
58	Wachusett Finance Corp.	44 Main Street

LOWELL

101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	76 Merrimack Street
179	Beneficial Finance Co.	97 Central Street
279	Central Finance Service, Inc.	19 Palmer Street
322	Commercial Credit Plan Incorporated	176 Church Street
313	Fidelity Consumer Finance Corporation	40 Central Street
312	First Finance Corp.	813 Lakeview Avenue
172	Household Finance Corporation	100 Merrimack Street
301	Liberty Loan Company of Lowell	58 Central Street
317	Lowell Finance Company, Inc.	217 Appleton Street
269	Merrimack Valley Finance Company, Inc.	1 Merrimack Street
14	Public Finance Company	2 Kearney Square

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
LYNN		
314	American Finance Corporation of Lynn	14 Central Square
122	Beneficial Finance Co.	22 Market Street
344	Budget Finance Plan	116 Market Street
154	Household Finance Corporation	341 Union Street
295	Liberty Loan Company	171A Union Street
19	Public Finance Company	29 Central Square
229	Seaboard Finance Company of Lynn, Inc.	56 Central Square
41	United Insurance Finance Corporation	14 Central Avenue
352	Universal C. I. T. Credit Company	21 State Street
MALDEN		
321	Bell Finance Co. of Malden, Inc.	3 Pleasant Street
103	Beneficial Finance Co.	150 Pleasant Street
107	Beneficial Finance Co.	444 Main Street
323	Commercial Credit Plan Incorporated	33 Dartmouth Street
6	Household Finance Corporation	60 Pleasant Street
152	National Finance Company, Inc.	50 Pleasant Street
72	Public Finance Company	5 Pleasant Street
227	State Loan Co., Inc.	482 Main Street
MANSFIELD		
62	The Mansfield Finance Company, Inc.	5 Old Colony Road
MARLBOROUGH		
65	Beneficial Finance Co.	186 Main Street
171	Marlboro Finance Corp.	217 Main Street
MEDFORD		
199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Company	24 Riverside Avenue
24	Public Finance Company	648 Fellsway Shopping Plaza
MIDDLEBOROUGH		
250	Beneficial Finance Co.	6 South Main Street
MILFORD		
207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	240 Main Street
255	Local Finance Company of Milford	179 Main Street
110	Milford Finance Corporation	204A Main Street
NATICK		
236	M-A-C Loan Plan, Inc. of Natick	11a West Central Street
NEW BEDFORD		
44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
336	Bristol Acceptance Trust, Inc.	292 Union Street
46	Community Plan Incorporated	555 Pleasant Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 Rivet Street
228	Personal Financing Plan, Inc.	634 Pleasant Street
90	Public Finance Company	915 Purchase Street
100	Seaboard Finance Company	71 William Street
7	Wamsutta Finance Co., Inc.	222 Union Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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NEWBURYPORT

150	Beneficial Finance Co.	80 State Street
9	First Finance Corp. of Newburyport	19 Green Street

NEWTON

303	Associates Consumer Finance Company, Inc.	210 Boylston Street
201	Beneficial Finance Co.	325 Walnut St., Newtonville
348	Brainerd Finance Company	1279 Washington St., W. Newton

NORTH ADAMS

151	Beneficial Finance Co.	59 Main Street
298	Fairway Finance Corporation of North Adams	42 Main Street
307	Liberty Loan Company of Adams	14 Ashland Street
42	M-A-C Finance Plan, Inc. of North Adams	85 Main Street

NORTH ATTLEBOROUGH

54	Public Finance Company	31 North Washington Street
121	Tri-Boro Finance Company, Inc.	11 South Washington Street

NORTHAMPTON

264	Household Finance Corporation of Northampton	70 Main Street
35	Local Finance Company of Northampton	159 Main Street
113	M-A-C Finance Plan, Inc. of Northampton	142 Main Street

NORWOOD

196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corporation of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street

PALMER

274	Guaranty Loan Co. of Palmer	366 Main Street
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PEABODY

144	Household Finance Corporation of Peabody	North Shore Shopping Ctr.
232	Liberty Loan Company of Essex	2 Main Street
256	Local Finance Company of Peabody	70 Main Street

PITTSFIELD

88	Beneficial Finance Co.	74 North Street
4	Budget Finance Plan	278 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
265	Household Finance Corporation of Pittsfield	86 North Street
185	M-A-C Finance Plan, Inc. of Pittsfield	23 North Street
286	Pioneer Credit Corporation	415 North Street
170	Public Finance Company	313 North Street
206	Universal C. I. T. Credit Company	346 North Street

PLYMOUTH

203	Beneficial Finance Co.	25 Main Street
333	Local Finance Company of Plymouth	20 Court Street

QUINCY

248	American Finance Corporation of Quincy	1620 Hancock Street
136	Beneficial Finance Co.	113 Parkingway
75	Family Loan Corporation of Quincy	10 Chestnut Street
180	Household Finance Corporation	148 Parkingway
304	Local Finance Company of Quincy	1388 Hancock Street
116	Public Finance Company	67 Parkingway
243	Seaboard Finance Company	1511 Hancock Street
169	Time Finance Corporation of Quincy	1426 Hancock Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
RANDOLPH		
340	Bell Finance Co. of Randolph, Inc.	322 North Main Street
REVERE		
246	Paul Revere Loan Association, Inc.	236 Broadway
ROCKLAND		
257	Local Finance Company of Rockland	257 Union Street
SALEM		
294	American Finance Corporation of Essex County ...	16 New Derby Street
137	Beneficial Finance Co.	116 Washington Street
183	Household Finance Corporation	75 Washington Street
271	Public Finance Company	211 Essex Street
56	State Loan Co., Inc.	247 Essex Street
SAUGUS		
198	Household Finance Corporation of Saugus	1307 Broadway
SHREWSBURY		
23	Public Finance Company	384C Maple Ave.
349	Universal C.I.T. Credit Company	White City Shopping Center
SOMERSET		
225	Local Finance Company of Somerset	933 County Street
SOMERVILLE		
33	Beneficial Finance Co.	258 Elm Street
96	Family Loan Corporation of Somerville	7 Davis Square
177	Household Finance Corporation	249 Elm Street
329	People's Finance Company of Boston, Inc.	490 Broadway
272	Public Finance Company	409A Highland Avenue
211	State Loan Co. of Somerville	128 Dover Street
SOUTHBRIDGE		
191	Morrison Finance Corporation	1 Elm Street
187	Public Finance Company	312 Main Street
SPRINGFIELD		
332	American Finance Corporation of Springfield	1228 Main Street
91	Associates Consumer Finance Company, Inc.	19 Catharine Street
50	Beneficial Finance Co.	1277 Main Street
73	Beneficial Finance Co.	1618 Main Street
167	Commercial Credit Plan Incorporated	297 Bridge Street
220	Dial Finance Company of Springfield, Mass., Inc. ...	1173 Main Street
142	Fairway Finance Corporation	1570 Main Street
139	Household Finance Corporation	1431 Main Street
125	Ideal Budget Plan, Inc.	1421 Main Street
86	Liberty Loan Company of Springfield	145 State Street
343	M-A-C Finance Plan, Inc. of Forest Park	390 Dickinson Street
8	M-A-C Finance Plan, Inc. of Springfield	50 Vernon Street
293	New Hampshire Finance, Inc.	1355 Liberty Street
60	New Method Finance Corporation	1688 Main Street
163	Public Finance Company	1567 Main Street
281	Savoy, J. R. Finance Co., Inc.	43 Pearl Street
276	Seaboard Finance Company	1645 Main Street
292	Signal Finance Corporation	163 State Street
212	Time Finance Corporation of Springfield	1537 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
STONEHAM		
266	Household Finance Corporation of Stoneham	83 Main Street
STOUGHTON		
308	Local Finance Company of Stoughton	54 Porter Street
TAUNTON		
81	Beneficial Finance Co.	25 Main Street
268	Blackstone Finance, Inc. of Taunton	6 Trescott Street
70	Liberty Loan Company of Taunton	4 Cedar Street
258	Local Finance Company of Taunton	3 Main Street
67	Taunton Loan Co.	28 Broadway
WAKEFIELD		
237	Beneficial Finance Co.	407 Main Street
97	First Finance Corp. of Wakefield	43 Tuttle Street
WALPOLE		
156	Fairway Finance Corporation of Walpole	940 Main Street
WALTHAM		
135	Beneficial Finance Co.	371 Moody Street
353	Capital Finance and Acceptance Corporation	353 Moody Street
79	Household Finance Corporation	333 Moody Street
302	Liberty Loan Company of Waltham	6 Cushing Street
123	Public Finance Company	389 Moody Street
244	Seaboard Finance Company	24 Crescent Street
WARE		
17	Guaranty Loan Co. of Ware	5 Bank Street
WAREHAM		
267	Wilson Finance Corporation of Wareham	Shoppers' Plaza—Store 2
WATERTOWN		
334	American Finance Corporation of Watertown	34 Mt. Auburn Street
325	Better Budget, Inc.	8 Bigelow Avenue
138	Fairway Finance Corporation of Watertown	2A Mt. Auburn Street
WEBSTER		
164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	112 Main Street
WESTFIELD		
112	Beneficial Finance Co.	26 Main Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street
WEYMOUTH		
127	Household Finance Corporation of Weymouth	435 Washington Street
EAST WEYMOUTH		
355	Time Finance Company of E. Weymouth	882 Broad Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WHITINSVILLE

315	Bell Acceptance Corp.	159 Church Street
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WILLIAMSTOWN

300	Pioneer Credit Corporation	Colonial Shopping Center
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WINTHROP

342	Highland Enterprises, Inc.	196 Hagman Road
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WOBURN

128	American Finance Corporation of Middlesex County ..	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance Company of Woburn	341 Main Street

WOLLASTON

11	First Finance Corp. of Wollaston	43 Billings Road
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WORCESTER

124	Associates Consumer Finance Company, Inc.	9 Walnut Street
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	2 Foster Street
270	Beneficial Finance Co.	1125A Main Street
174	Budget Finance Plan	421 Main Street
331	City Finance, Inc.	340 Main Street
94	Commercial Credit Plan Incorporated	290 Main Street
327	Consumers Financing Service, Inc.	8 Norwich Street
337	First Finance Corp. of Worcester	74 Franklin Street
131	Household Finance Corporation	545G Lincoln Street
224	Household Finance Corporation	390 Main Street
316	Household Finance Corporation of Worcester	1073 Main Street
34	Italian Finance Company of Worcester	157 Shrewsbury Street
251	Liberty Loan Company of Massachusetts	414 Main Street
119	M-A-C Finance Plan, Inc. of Worcester	34 Mechanic Street
221	M-A-C Loan Plan, Inc.	332 Main Street
31	New Hampshire Finance, Inc.	500 Park Avenue
210	New Method Finance Corporation	544 Main Street
99	Parker Acceptance Corporation	283 Main Street
13	Public Finance Company	390 Main Street
69	Public Finance Company	507 Main Street
68	Seaboard Finance Company	263 Park Avenue
249	Seaboard Finance Company	405 Main Street
213	Time Finance Corporation of Worcester	496 Park Avenue

MASS.
DOCS.
COLL.

The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES



ANNUAL REPORT
OF THE
COMMISSIONER OF BANKS
FOR THE
Year Ending December 31, 1967
Government Documents
Collection
MAY 1 2 1968
Library of Massachusetts
RELATING TO
LICENSED SMALL LOAN LENDERS

The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES

State Office Building, Government Center

100 Cambridge Street, Boston

COMMISSIONER OF BANKS

FREYDA P. KOPLOW

DEPUTY COMMISSIONER OF BANKS

WILLIAM P. MORRISSEY

DEPUTY COMMISSIONER OF BANKS

AND

GENERAL COUNSEL

ROBERT J. MAIETTA

ACTING SUPERVISOR OF LOAN AGENCIES

WILLIAM P. BROWNE

ASSISTANT SUPERVISOR AND RATE ANALYST

ROBERT S. LEADBETTER

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The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS

State Office Building, Government Center

100 Cambridge Street. Boston

JUNE 26, 1968

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1967.

Respectfully,

FREYDA P. KOPLOW
Commissioner of Banks

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing—as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1967, there were three hundred and forty-seven small loan licenses outstanding.

During the calendar year, 1967, 257,202 loans of \$3,000 or less amounting to \$183,415,331.21, which is less unearned charges, were made. These figures represent a decrease of 26,305 in the number of loans made and a decrease of \$4,400,201.13 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$713.12 as compared to \$662.47 for the calendar year 1966.

For purposes of comparison, the loans made for the calendar year 1966, have been adjusted to reflect the reports not used in the compilation of these figures due to unusual and extraordinary circumstances.

On December 31, 1967, there were 284,618 regulated loans of \$3,000 or less outstanding with a face value of \$212,150,088.28 which includes unearned charges amounting to \$38,018,522.46. These figures represent a decrease of 17,096 in the number and an increase of \$2,199,108.61 in the amount of net loans outstanding since the beginning of the calendar year.

The average net loan outstanding on December 31, 1967 was \$611.81 as compared with \$569.85 on December 31, 1966.

For the purposes of comparison the number and amount of regulated loans outstanding on December 31, 1966 have been adjusted to reflect the reports not used in the compilation of these figures due to unusual and extraordinary circumstances.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$4,338,504.58.

Gross income for the period totaled \$38,203,932.95 of which \$248,990.49 represents recoveries on loans previously charged off and \$192,150.52 represents other income. Operating expenses aggregating \$17,704,518.33, include \$2,676,574.09 of home office expenses; charge-offs on bad debts amounting to \$922,955.52 and an addition of \$3,131,859.01 to the valuation reserve combine to make a total expense of \$21,759,332.86 which, deducted from gross income, leaves a balance of \$16,444,600.09 representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$4,389,836.06 remains after deducting interest on borrowed funds amounting to \$7,699,787.54 and federal income taxes amounting to \$4,354,976.49.

As of December 31, 1967, the book assets amounted to \$187,198,853.78. The cash in office and in banks amounted to \$2,781,430.07 which includes \$713,537.80 in compensating balances. Home office assets allocated to Massachusetts licensees consist of cash of \$6,127,677.87 and other assets of \$7,432,636.15 making a total of \$13,560,314.02. Compensating balances included in the allocation amount to \$4,336,207.18 which when totaled will produce com-

compensating balances of \$5,049,744.98. Total assets as shown in Exhibit B less compensating balances produce assets of \$182,149,108.80.

This department does not consider compensating balances to be assets. They are used here as deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The maximum interest charges permitted on loans of \$3,000.00 or less for licensed small loan lenders is $2\frac{1}{2}\%$ per month on any part of the unpaid principal balance not exceeding \$200; 2% per month on any part of the unpaid principal balance exceeding \$200.00 but not exceeding \$600; $1\frac{3}{4}\%$ per month on that part of the unpaid principal balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1% per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6% per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000.00 or less for unlicensed lenders is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charges permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over twenty-five thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time of the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

SMALL LOAN CASES

After nearly eleven months, or 225 trial days, a jury in the Suffolk Superior Court on June 10, 1968, returned verdicts of guilty of conspiring to bribe a public official against three finance companies and five employees or agents of the companies or wholly-owned subsidiary entities.

The three defendants, Household Finance Corporation, Beneficial Finance Co., and Local Finance Company were each fined \$3,000. The Court ordered a stay of execution of the sentences against the three defendant companies, as well as a stay of execution of the sentences levied against the five individual defendants found to be guilty by jury verdict pending appeal to the Supreme Judicial Court.

The defendant corporations and the individuals referred to have filed claims of appeal to the Supreme Judicial Court.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1967

CHAPTER	AMENDMENT TO:	DESCRIPTION
180	G. L., C. 93, s. 24.	An Act Authorizing the Commissioner of Banks to establish Regulations pertaining to the business of Collection Agencies.
190	G. L., C. 140, s. 96.	An Act further defining a Small Loan subject to the Supervision of the Commissioner of Banks.
196	G. L., C. 140, s. 110.	An Act increasing the penalty for engaging in the business of Small Loans without a license.
226	G. L., C. 265, s. 13c.	An Act establishing a penalty for persons committing assault and battery in order to collect a loan.
236	G. L., C. 266, s. 33.	An Act providing that certain false statements in writing made to obtain credit from a retail seller of goods or services shall constitute larceny.
256	G. L., C. 255C, s. 14.	An Act relative to the charges of insurance finance agencies licensed by the Commissioner of Banks.
370	G. L., C. 255C, s. 20.	An Act further regulating extensions and deferral of payments in insurance premium financing.
416	G. L., C. 255D, s. 26.	An Act limiting charges for certain insurance policies issued in connection with Retail Installment Sales.
464	G. L., C. 255B, s. 1, 9, 20a.	An Act further regulating the Retail Installment Sales of Motor Vehicles.
612	G. L., C. 255C, s. 11.	An Act increasing the maximum amount of unpaid balances of premium finance agreements which may be held by insurance premium finance agencies.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1967

CHAPTER	AMENDMENT TO:	DESCRIPTION
673	G. L., C. 140A, s. 1, 5, 7.	An Act further regulating the disclosure of finance charges in connection with certain credit transactions.
775	G. L., C. 255D, s. 1, 9, 13, 17, 21, 23, 27, 29.	An Act further regulating certain Retail Installment Sales and Services.
813	G. L., C. 255D, s. 1, 2, 3, 4, 5 6, 7, 8.	An Act providing protection for the consumer against unfair practices.
822	G. L., C. 255 New Section 13 I-J.	An Act relative to the procedure for the repossession and disposition of consumer goods subject to certain security interest where the debtor is in default.
823	G. L., C. 255B, s. 10.	An Act limiting the charges for certain insurance issued in connection with Retail Installment Sales of Motor Vehicles.

REGULATIONS

There are described below regulations of the Commissioner of Banks promulgated during the calendar year 1967.

December 28, 1967 Relative to the regulation of certain credit transactions pursuant to the provisions of C. 140A, G. L.

The Commonwealth of Massachusetts

ANNUAL REPORT OF THE COMMISSIONER OF BANKS

FOR THE YEAR ENDED DECEMBER 31, 1967

(General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1967

(Loan Business of \$3,000 or Less)

LICENSED AGENCIES
347

Receivables:

(a) Gross Amount	\$212,150,088.28
(b) Less: Unearned Charges	38,018,522.46
(c) Less: Allowance for Bad Debts	5,849,433.19
(d) Net Receivables	\$168,282,132.63
Cash in Office and in Banks	2,781,430.07
Real Estate (Less Allowance for Depreciation-Buildings)	181,823.37
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)	877,232.61
Deferred Charges or Prepaid Expense	322,362.72

Other Assets:

(a) Organization and Development Expense	\$ 40,457.07
(b) Cost of Financing	11,980.31
(c) Investments	572,608.12
(d) Miscellaneous Notes and Accts. Receivable	552,367.16
(e) Miscellaneous	17,145.70
	<u>1,194,568.36</u>

Total Assets	<u>\$173,638,539.76</u>
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Home Office Assets Allocated to Massachusetts Licensees	<u>13,560,314.02</u>
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Total	<u>\$187,198,853.78</u>
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Compensating Balances Included in Cash	\$ 713,537.80
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Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees	<u>4,336,222.29</u>
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Total Compensating Balances Included in Assets	<u>\$ 5,049,760.09</u>
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EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1967

(Loan Business of \$3,000 or Less)

<i>Gross Income</i>	
Charges Collected and/or Earned	\$ 36,643,775.41
Delinquency Charges Collected	1,118,816.53
Collection on Accounts Previously Charged Off	248,990.49
Other Income:	
(a) Gain on Sale of Assets	\$ 124,434.08
(b) Income from Investments	50,764.70
(c) Miscellaneous	16,951.74
Total Gross Income	<u>\$ 38,203,932.95</u>
<i>Expenses of Conducting Business</i>	
Advertising	\$ 1,244,201.07
Auditing	94,484.00
Bad Debts:	
(a) Charged Off	\$ 922,955.52
(b) Addition to Reserve	3,131,859.01
Depreciation of Furniture, Fixtures and Equipment	216,177.37
Recording and Acknowledging Fees	3,989.78
Insurance and Fidelity Bonds	117,714.38
Legal Fees and Disbursements	407,015.70
Postage and Express	253,789.80
Printing, Stationery and Supplies	213,500.34
Rent	1,193,458.12
Salaries	7,177,493.70
Supervision and Administration	781,183.50
Taxes (Excluding Federal Taxes on Income)	
(a) State Income	\$ 432,927.95
(b) License Fees	123,223.17
(c) All Other Taxes	484,071.27
Telephone and Telegraph	867,247.00
Travel	345,339.44
Other Expenses of Conducting Business	1,076,578.44
Total	<u>\$ 19,087,209.56</u>
Total Home Office Expenses	2,672,123.30
Cost of Borrowed Funds	7,699,787.54
Total Expenses	<u>\$ 29,459,120.40</u>
Net Earnings Before Federal Income Taxes	\$ 8,744,812.55
Federal Income Taxes	\$ 4,354,976.49
Total Expenses After Income Taxes	<u>\$ 33,814,096.89</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds	<u>\$ 4,389,836.06</u>

EXHIBIT D

ANALYSIS OF LOANS BY SIZE

(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount</i>
Total Loan Balance Outstanding (Less Unearned Charges) at Beginning of Period	298,248	\$170,092,876.34
Loans Made During the Period:		
(a) Loans of \$ 100.00 or Less	5,391	363,991.23
(b) Loans of \$ 100.01 to \$ 200.00	24,927	3,500,235.11
(c) Loans of \$ 200.01 to \$ 300.00	27,351	6,639,001.88
(d) Loans of \$ 300.01 to \$ 400.00	28,757	9,792,298.00
(e) Loans of \$ 400.01 to \$ 500.00	24,920	11,067,642.46
(f) Loans of \$ 500.01 to \$ 600.00	25,436	13,776,510.62
(g) Loans of \$ 600.01 to \$1,000.00	58,756	45,338,378.70
(h) Loans of \$1,000.01 to \$1,500.00	38,392	46,411,626.06
(i) Loans of \$1,500.01 to \$3,000.00	23,272	46,525,647.15
Total Loans Made During the Period	257,202	\$183,415,331.21
Loan Balances Purchased During the Period	14,671	8,249,684.54
Loan Balance Sold During the Period	10,257	5,905,582.34
Loan Balances Charged Off During the Period	9,866	4,338,504.58
Collections During the Period		177,382,239.35
Total Loan Balances Outstanding (Less Unearned Charges) at the End of the Period	284,618	\$174,131,565.82

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY

(Loans of \$3,000 or Less)

	<i>Number</i>	<i>Amount</i>
Loans Made During the Period Based in Whole or in Large Part on:		
(a) Chattel Mortgages on Household Goods	109,045	\$103,851,257.27
(b) Automobiles	15,560	14,154,139.44
(c) Real Estate	125	176,121.17
(d) Other Chattels	5,240	5,625,672.51
(e) Unsecured Notes	117,934	53,994,023.12
(f) Endorsed and/or Co-Maker Notes	8,017	4,879,287.29
(g) Wage Assignments	24	17,660.60
(h) Other Considerations	1,257	717,169.81
Total	257,202	\$183,415,331.21

EXHIBIT F

ANALYSIS OF LOANS MADE FOR LAST FIVE YEARS

(Loans of \$3,000 or Less)

	1963	1964	1965
Number	322,908	304,094	309,362
Amount	\$182,054,527.06	\$178,943,549.27	\$192,815,300.98

	1966	1967
Number	276,214	257,202
Amount	\$181,029,088.42	\$183,415,331.21

EXHIBIT G

SUITS, POSSESSION AND SALE OF CHATTELS

(Loans of \$3,000 or Less)

					<i>Number</i>	<i>Amount Due</i>			
Suits for Recovery:									
(a)	Pending at Close of Previous Period	.	.	.	3,163	\$	1,789,902.54		
(b)	Instituted During Period	.	.	.	2,900		1,942,344.92		
(c)	Total	.	.	.	6,063	\$	3,732,247.46		
(d)	Judgment Secured During Period	.	.	.	1,606	\$	1,014,478.01		
(e)	Settled Before Judgment During the Period	.	.		684		408,004.32		
(f)	Total	.	.	.	2,290	\$	1,422,482.33		
(g)	Pending at Close of Current Period	.	.	.	3,773	\$	2,309,765.13		
Wage Assignments Filed During Period					79	\$	45,066.13		
Possession of Chattels Obtained by Licensee:									
(a) By Legal Process or Contract Right:									
(1)	Household Goods	.	.	.	11	\$	9,947.57		
(2)	Automobiles	.	.	.	79	\$	106,148.80		
(3)	Other Chattels and Property	.	.	.	10	\$	11,571.06		
(b) By Voluntary Surrender:									
(1)	Household Goods	.	.	.	7	\$	6,380.86		
(2)	Automobiles	.	.	.	65	\$	63,318.80		
(3)	Other Chattels and Property	.	.	.	18	\$	13,568.74		
Sale of Chattels by Licensee:									
					<i>Number</i>	<i>Amount Due</i>	<i>Amount Collected</i>		
(a)	With Borrower's Consent	.	.	.	89	\$	67,812.90		
							\$	30,285.19	
(b)	Without Borrower's Consent	.	.	.	58	\$	73,755.34	\$	22,180.27

EXHIBIT H

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1967

(Total Loan and Finance Business)

ASSETS	
Receivables:	
(a) Gross Amount	\$241,412,016.86
(b) Less: Unearned Charges	40,415,602.67
(c) Less: Allowance for Bad Debts	7,407,813.26
(d) Net Receivables	\$193,588,600.93
Cash in Office and in Banks	4,316,721.99
Real Estate (Less Allowance for Depreciation-Buildings)	574,631.20
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)	1,036,460.96
Deferred Charges or Prepaid Expense	424,022.02
Other Assets:	
(a) Organization or Development Expense \$	47,448.78
(b) Cost of Financing	16,364.49
(c) Investments	1,330,454.77
(d) Miscellaneous Notes and Accts. Receivable	944,937.42
(e) Miscellaneous	23,113.08
Total Assets	\$202,302,755.64
Home Office Assets Allocated to Massachusetts Licensees	17,281,881.95
Total	\$219,584,637.59
LIABILITIES AND CAPITAL	
Accounts and Notes Payable:	
(a) Banks \$	16,112,133.89
(b) Due to Parent Company or Affiliate	63,449,555.44
(c) Other Short Term Notes and Accounts	3,120,831.93
Bonds	3,673,848.87
Long Term Notes	3,969,685.04
Investment Certificates	1,678,943.95
Other Liabilities:	
(a) Accrued Expense \$	505,680.71
(b) Other Expense Reserves	1,460,673.74
Branch Office Capital	76,260,332.31
Net Worth (If Individual or Partnership)	288,176.03
Capital Stock (If Corporation):	
(a) Preferred \$	2,817,469.56
(b) Common	11,107,475.18
Paid in Surplus	4,555,569.08
Appropriated Surplus or Capital Reserve	1,692,310.49
Retained Earnings	11,610,069.42
Total Liabilities and Capital	\$202,302,755.64
Compensating Balances Included in Cash	\$ 1,568,868.05
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees	4,927,098.66
Total Compensating Balances Included in Assets	\$ 6,495,966.71

EXHIBIT I

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1967

(Total Loan and Finance Business)

GROSS INCOME

Charges Collected and/or Earned		\$ 40,457,147.76
Delinquency Charges Collected		1,235,740.62
Collections on Accounts Previously Charged Off		294,343.28
Other Income:		
(a) Gain on Sale of Assets	\$ 138,533.06	
(b) Income from Investments	132,386.72	
(c) Miscellaneous	112,860.93	383,780.71
Total Gross Income		<u>\$ 42,371,012.37</u>

EXPENSES OF CONDUCTING BUSINESS

Advertising		\$ 1,309,243.73
Auditing		140,951.91
Bad Debts:		
(a) Charged Off	961,876.89	
(b) Addition to Reserve	3,572,286.53	4,534,163.42
Depreciation of Furniture, Fixtures and Equipment		262,630.68
Recording and Acknowledging Fees		7,925.45
Insurance and Fidelity Bonds		154,577.58
Legal Fees and Disbursements		479,082.22
Postage and Express		296,808.21
Printing, Stationery and Supplies		259,697.47
Rent		1,362,864.43
Salaries		8,460,526.40
Supervision and Administration		1,036,145.43
Taxes (Excluding Federal Taxes on Income):		
(a) State Income	\$ 482,690.12	
(b) License Fees	161,350.55	
(c) All Other Taxes	561,166.53	1,205,207.20
Telephone and Telegraph		998,249.45
Travel		425,504.63
Other Expenses of Conducting Business		1,329,798.65
Total		<u>\$ 22,263,376.86</u>
Total Home Office Expenses		2,886,177.66
Cost of Borrowed Funds		9,051,012.18
Total Expenses		<u>\$ 34,200,566.70</u>
Net Earnings Before Federal Income Taxes		<u>\$ 8,170,445.67</u>
Federal Income Taxes		<u>\$ 4,566,068.80</u>
Total Expenses After Income Taxes		<u>\$ 38,766,635.50</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u>\$ 3,604,376.87</u>

EXHIBIT J

LICENSED SMALL LOAN AGENCIES

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of May 15, 1968:

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
303	Associates Consumer Finance Co., Inc.	620 Centre St., Jamaica Plain
53	Beatty, Charles S., Company	7 Water Street
217	Bell Finance Co. of Boston, Inc.	38 Chauncy Street
63	Belmont Finance Company	453 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	80 Boylston Street
117	Beneficial Finance Co.	5 Bromfield Street
239	Beneficial Finance Co.	8 Winter Street
66	Beneficial Finance Co.	570 Columbia Rd., Dorchester
231	Beneficial Finance Co.	1257 River St., Hyde Park
204	Beneficial Finance Co.	47 Poplar Street, Roslindale
235	Beneficial Finance Co.	105 Dorchester St., So. Boston
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plan Incorporated	150 Tremont Street
93	Dial Finance Company of Boston, Inc.	15 School Street
186	Dial Finance Company of Boston No. 1 Inc.	86 Summer Street
92	Family Loan Corporation of Massachusetts	41 Winter Street
149	Family Loan Corporation of Back Bay	161 Massachusetts Avenue
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dorchester
192	Firemen's Finance Company, Inc.	25 Huntington Avenue
278	Friendly Loan Corporation	21 Porter Street, East Boston
356	G. A. C. Finance Corporation of Boston	330 Stuart Street
328	G. A. C. Finance Corp. of Boston No. 2	126 State Street
29	G. A. C. Finance Corp. of Mattapan	524 River Street, Mattapan
360	Globe Finance Co., Inc.	677 Beacon Street
16	Household Finance Corporation	80 Boylston Street
49	Household Finance Corporation	175 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
223	Household Finance Corporation	47 Winter Street
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
280	Kane Finance Company	225 Franklin Street
176	Local Finance Company	128a Tremont Street
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nestor-Hall Company	7 Water Street
247	Northeast Finance Corp.	1872 Centre Street, W. Roxbury
354	Postal Finance Company, Inc.	262 Washington Street
111	Public Finance Company	145 Tremont Street
200	Public Finance Company	308 Boylston Street
216	Public Finance Company	333 Washington Street
306	Public Finance Company	501 Washington Street
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian Street, E. Boston
184	Public Finance Company	1232 River Street, Hyde Park
218	Public Finance Company	4252 Washington St., Roslindale
145	State Loan Co.	619 Washington Street
347	Sumner Finance Company	262 Washington Street
319	Universal C.I.T. Credit Company	176 Mt. Vernon St., Dorchester

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
AGAWAM		
341	Universal C.I.T. Credit Company	324 Walnut Street
AMESBURY		
345	G.A.C. Finance Corporation of Amesbury	41 Main Street
ANDOVER		
98	Andover Finance Company	Musgrove Bldg., Elm Sq.
ARLINGTON		
326	American Finance Corporation of Middlesex County ..	457 Massachusetts Avenue
297	Universal C.I.T. Credit Company	11 Mystic Street
ATHOL		
162	Public Finance Company	516 Main Street
ATTLEBORO		
48	Beneficial Finance Co.	7 Park Street
252	Blackstone Finance, Inc. of Attleboro	25 Bank Street
130	Public Finance Company	39 Park Street
182	Tri-Boro Finance Co., Inc. of Attleboro	98 Park Street
BEVERLY		
287	American Finance Corporation of Beverly	269 Cabot Street
181	Beneficial Finance Co.	236 Cabot Street
318	Finance Associates of Beverly, Inc.	263 Cabot Street
BRAINTREE		
240	South Shore Finance Company, Inc.	250 Granite Street
BROCKTON		
253	Bell Finance Co. of Brockton, Inc.	726 Crescent Street
133	Beneficial Finance Co.	190 Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
353	G. A. C. Finance Corporation, Inc.	Westgate Shopping Center Store 12
194	Household Finance Corporation	172 Main Street
299	Liberty Loan Company of Brockton	231 Main Street
87	Local Finance Company of Brockton	95 Main Street
104	Public Finance Company	142 Main Street
289	Seaboard Finance Company	158 Main Street
190	Time Finance Corporation of Brockton	105 Main Street
350	Universal C.I.T. Credit Company	286 N. Main Street
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard Street
47	G. A. C. Finance Corporation, Inc.	1300 Beacon Street
141	Household Finance Corporation	1330 Beacon Street
BURLINGTON		
222	Bell Finance Co. of Woburn, Inc.	226 Cambridge Street
CAMBRIDGE		
71	Beneficial Finance Co.	519 Massachusetts Avenue
134	Beneficial Finance Co.	622 Massachusetts Avenue
64	Household Finance Corporation	678 Massachusetts Avenue
80	Household Finance Corporation of Cambridge	27 White Street
296	Liberty Loan Company of Cambridge	765 Massachusetts Avenue
159	Public Finance Company	2 Central Square
242	Seaboard Finance Company	552 Massachusetts Avenue

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
CANTON		
290	Time Finance Co. of Canton	612 Washington Street
CHELMSFORD		
358	G. A. C. Finance Corp. of Chelmsford	95 Chelmsford Street
CHELSEA		
195	Beneficial Finance Co.	279 Broadway
309	Public Finance Company	438 Broadway
CHICOPEE		
234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corporation of Chicopee	10 Centre Street
CLINTON		
106	Associates Consumer Finance Co.	70 High Street
DANVERS		
132	American Finance Corporation of Essex County	39 Maple Street
DEDHAM		
357	Time Finance Company of Dedham	515 Providence Highway
EASTHAMPTON		
3	Local Finance Company of Easthampton	57 Union Street
EVERETT		
197	Beneficial Finance Co.	411 Broadway
51	Everett Loan Co., Inc.	427a Broadway
310	Public Finance Company	164 School Street
FAIRHAVEN		
351	Universal C.I.T. Credit Company	102 Huttleston Avenue
FALL RIVER		
28	Beneficial Finance Co.	33 Bedford Street
166	Cascade Finance Company	391 South Main Street
165	Commercial Credit Plan Incorporated	435 Columbia Street
10	Fairway Finance Corporation of Fall River	124 South Main Street
18	G. A. C. Finance Corporation of Fall River	1451 South Main Street
27	Household Finance Corporation	13 Borden Street
12	Liberty Loan and Realty Co., Inc.	204 Thomas Street
209	Local Finance Company of Fall River	17 North Main Street
45	M-A-C Loan Plan, Inc. of Fall River	314 South Main Street
37	Public Finance Company	102 South Main Street
367	Stanley Company, Inc., The	64 Main Street
39	Time Finance Corporation of Fall River	304 South Main Street
FALMOUTH		
288	Beneficial Finance Co.	181 Main Street
FITCHBURG		
32	Beneficial Finance Co.	347 Main Street
85	Fitchburg Finance Corporation	765 Main Street
52	Household Finance Corporation	455 Main Street
74	M-A-C Finance Plan, Inc. of Fitchburg	558 Main Street
273	Public Finance Company	516 Main Street
FRAMINGHAM		
173	Beneficial Finance Co.	106 Concord Street
178	General Finance Corporation of Framingham	129a Concord Street
260	Household Finance Corporation of Framingham	36 Concord Street
254	Local Finance Company of Framingham	32 Union Avenue
95	Public Finance Company	18 Union Avenue

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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FRANKLIN

36	Franklin Loan Co., Inc.	32a Main Street
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GARDNER

232	Beneficial Finance Co.	47 Parker Street
161	Public Finance Company	11 Pleasant Street

GLOUCESTER

59	Public Finance Company	82 Main Street
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GREAT BARRINGTON

21	Pioneer Credit Corporation	337 Main Street
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GREENFIELD

146	Beneficial Finance Co.	239 Main Street
153	Guaranty Loan Co. of Greenfield	209 Main Street
283	Household Finance Corporation of Greenfield	158 Main Street

HAVERHILL

335	American Finance Corporation of Haverhill	21 Washington Square
105	Beneficial Finance Co.	135 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corporation of Haverhill	91 Merrimack Street
263	Liberty Loan Company of Merrimack	6 Main Street
120	Public Finance Company	181 Merrimack Street

HOLYOKE

40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Co. of Holyoke, Inc.	320 High Street
245	Household Finance Corporation of Holyoke	353 High Street
175	Public Finance Company	348 High Street
291	Signal Finance Corporation	380 High Street

HYANNIS

76	Beneficial Finance Co.	436 Main Street
226	Commercial Credit Plan, Incorporated	509 Main Street
284	Household Finance Corporation of Hyannis	396 Main Street
338	Local Finance Company of Hyannis	253 Main Street

INDIAN ORCHARD

362	Thrift Plan, Inc.	529 Main Street
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LAWRENCE

118	American Finance Corporation of Lawrence	204 Essex Street
147	Beneficial Finance Co.	27 Amesbury Street
277	Community Finance, Inc. of Lawrence	125 Amesbury Street
262	Household Finance Corporation of Lawrence	380 Essex Street
30	Local Loan & Finance Co., Inc.	79 Common Street
114	Public Finance Company	15 Lawrence Street

LEOMINSTER

58	Associates Consumer Finance Co., Inc.	44 Main Street
148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corporation	10 Monument Square

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
LOWELL		
101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	76 Merrimack Street
179	Beneficial Finance Co.	97 Central Street
279	Central Finance Service, Inc.	19 Palmer Street
322	Commercial Credit Plan Incorporated	176 Church Street
313	Fidelity Consumer Finance Corporation	40 Central Street
312	G. A. C. Finance Corporation of Lowell	813 Lakeview Avenue
172	Household Finance Corporation	100 Merrimack Street
369	Kels Investment Corporation	Corner School & Liberty St.
301	Liberty Loan Company of Lowell	58 Central Street
317	Lowell Finance Company, Inc.	217 Appleton Street
269	Merrimack Valley Finance Company, Inc.	1 Merrimack Street
14	Public Finance Company	2 Kearney Square
LYNN		
314	American Finance Corporation of Lynn	14 Central Square
122	Beneficial Finance Co.	22 Market Street
344	Homemakers Loan & Consumer Discount Co.	319 Lynnway
154	Household Finance Corporation	341 Union Street
295	Liberty Loan Company	171a Union Street
19	Public Finance Company	29 Central Square
229	Seaboard Finance Company of Lynn, Inc.	56 Central Square
41	United Insurance Finance Corporation	14 Central Square
352	Universal C.I.T. Credit Company	21 State Street
MALDEN		
321	Bell Finance Co. of Malden, Inc.	3 Pleasant Street
103	Beneficial Finance Co.	150 Pleasant Street
107	Beneficial Finance Co.	444 Main Street
323	Commercial Credit Plan, Incorporated	33 Dartmouth Street
6	Household Finance Corporation	60 Pleasant Street
152	National Finance Company, Inc.	50 Pleasant Street
72	Public Finance Company	5 Pleasant Street
227	State Loan Co., Inc.	482 Main Street
MANSFIELD		
62	The Mansfield Finance Company, Inc.	5 Old Colony Road
MARLBOROUGH		
65	Beneficial Finance Co.	186 Main Street
171	Marlboro Finance Corp.	217 Main Street
MEDFORD		
199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Company	24 Riverside Avenue
24	Public Finance Company	648 Fellsway Shopping Plaza
MIDDLEBOROUGH		
250	Beneficial Finance Co.	6 South Main Street
MILFORD		
207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	240 Main Street
255	Local Finance Company of Milford	179 Main Street
110	Milford Finance Corporation	182 Main Street
NATICK		
236	M-A-C Loan Plan, Inc. of Natick	11a West Central Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
NEW BEDFORD		
44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
336	Bristol Acceptance Trust, Inc.	292 Union Street
46	Community Plan Incorporated	558 Pleasant Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 Rivet Street
228	Personal Financing Plan, Inc.	634 Pleasant Street
90	Public Finance Company	915 Purchase Street
100	Seaboard Finance Company	71 William Street
7	Wamsutta Finance Co., Inc.	222 Union Street
NEWBURYPORT		
150	Beneficial Finance Co.	80 State Street
9	G. A. C. Finance Corporation of Newburyport	19 Green Street
NEWTON		
201	Beneficial Finance Co.	325 Walnut St., Newtonville
348	Brainerd Finance Company	1279 Washington St., W. Newton
NORTH ADAMS		
151	Beneficial Finance Co.	59 Main Street
298	Fairway Finance Corporation of North Adams	42 Main Street
307	Liberty Loan Company of Adams	14 Ashland Street
42	M-A-C Finance Plan, Inc. of North Adams	85 Main Street
NORTH ATTLEBOROUGH		
54	Public Finance Company	31 South Washington Street
NORTHAMPTON		
264	Household Finance Corporation of Northampton	70 Main Street
35	Local Finance Company of Northampton	159 Main Street
113	M-A-C Finance Plan, Inc. of Northampton	142 Main Street
NORWOOD		
196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corporation of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street
PALMER		
274	Guaranty Loan Co. of Palmer	366 Main Street
PEABODY		
144	Household Finance Corporation of Peabody	N. Shore Shopping Center
256	Local Finance Company of Peabody	70 Main Street
PITTSFIELD		
88	Beneficial Finance Co.	74 North Street
4	Budget Finance Plan	278 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
366	Greylock Finance, Inc.	631 North Street
265	Household Finance Corporation of Pittsfield	86 North Street
185	M-A-C Finance Plan, Inc. of Pittsfield	23 North Street
286	Pioneer Credit Corporation	415 North Street
170	Public Finance Company	316 North Street
206	Universal C.I.T. Credit Company	346 North Street
PLYMOUTH		
203	Beneficial Finance Co.	25 Main Street
333	Local Finance Company of Plymouth	20 Court Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
QUINCY		
248	American Finance Corporation of Quincy	1620 Hancock Street
136	Beneficial Finance Co.	113 Parkway
75	Family Loan Corporation of Quincy	10 Chestnut Street
180	Household Finance Corporation	148 Parkway
363	Homemakers Loan & Consumer Discount Co.	1073 Hancock Street
304	Local Finance Company of Quincy	1388 Hancock Street
116	Public Finance Company	1468 Hancock Street
243	Seaboard Finance Company	1511 Hancock Street
169	Time Finance Corporation of Quincy	1426 Hancock Street
RANDOLPH		
340	Bell Finance Co. of Randolph, Inc.	322 North Main Street
REVERE		
246	Paul Revere Loan Association, Inc.	206 Broadway
ROCKLAND		
257	Local Finance Company of Rockland	257 Union Street
SALEM		
294	American Finance Corporation of Essex County	16 New Derby Street
137	Beneficial Finance Co.	116 Washington Street
183	Household Finance Corporation	75 Washington Street
271	Public Finance Company	211 Essex Street
56	State Loan Co., Inc.	247 Essex Street
SAUGUS		
198	Household Finance Corporation of Saugus	1307 Broadway
SHREWSBURY		
23	Public Finance Company	348c Maple Avenue
349	Universal C.I.T. Credit Company.....	50 Boston Turnpike
SOMERSET		
225	Local Finance Company of Somerset	933 County Street
SOMERVILLE		
33	Beneficial Finance Co.	258 Elm Street
96	Family Loan Corporation of Somerville	7 Davis Square
177	Household Finance Corporation	249 Elm Street
329	People's Finance Company of Boston, Inc.	59 Union Square
272	Public Finance Company	409a Highland Avenue
211	State Loan Co. of Somerville	128 Dover Street
SOUTHBRIDGE		
191	Morrison Finance Corporation	1 Elm Street
187	Public Finance Company	312 Main Street
SPRINGFIELD		
332	American Finance Corporation of Springfield	1228 Main Street
91	Associates Consumer Finance Company, Inc.	620 State Street
50	Beneficial Finance Co.	1277 Main Street
73	Beneficial Finance Co.	1618 Main Street
167	Commercial Credit Plan Incorporated	297 Bridge Street
281	Continental Loan Co., Inc.	43 Pearl Street
220	Dial Finance Company of Springfield, Mass., Inc.	1173 Main Street
142	Fairway Finance Corporation	1570 Main Street
293	G. A. C. Finance Corp., Inc.	1355 Liberty Street
364	Homemakers Loan & Consumer Finance Co., Inc.	622 State Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
139	Household Finance Corporation	1451 Main Street
125	Ideal Budget Plan, Inc.	1421 Main Street
86	Liberty Loan Company of Springfield	145 State Street
343	M-A-C Finance Plan, Inc. of Forest Park	390 Dickinson Street
8	M-A-C Finance Plan, Inc. of Springfield	50 Vernon Street
60	New Method Finance Corporation	1688 Main Street
163	Public Finance Company	1567 Main Street
276	Seaboard Finance Company	1645 Main Street
292	Signal Finance Corporation	1537 Main Street
212	Time Finance Corporation of Springfield	163 State Street

STONEHAM

266	Household Finance Corporation of Stoneham	83 Main Street
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STOUGHTON

308	Local Finance Company of Stoughton	54 Porter Street
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TAUNTON

81	Beneficial Finance Co.	75 Main Street
268	Blackstone Finance, Inc. of Taunton	6 Trescott Street
70	Liberty Loan Company of Taunton	4 Cedar Street
258	Local Finance Company of Taunton	3 Main Street
67	Taunton Loan Co.	28 Broadway

WAKEFIELD

237	Beneficial Finance Co.	407 Main Street
97	First Finance Corp. of Wakefield	43 Tuttle Street

WALPOLE

156	Fairway Finance Corporation of Walpole	940 Main Street
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WALTHAM

135	Beneficial Finance Co.	371 Moody Street
79	Household Finance Corporation	333 Moody Street
302	Liberty Loan Company of Waltham	6 Cushing Street
123	Public Finance Company	389 Moody Street
244	Seaboard Finance Company	24 Crescent Street

WARE

17	Guaranty Loan Co. of Ware	5 Bank Street
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WAREHAM

267	Wilson Finance Corporation of Wareham	Shoppers' Plaza—Store 4
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WATERTOWN

334	American Finance Corporation of Watertown	34 Mt. Auburn Street
325	Better Budget, Inc.	8 Bigelow Avenue
138	Fairway Finance Corporation of Watertown	2a Mt. Auburn Street

WEBSTER

164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	112 Main Street

WESTFIELD

112	Beneficial Finance Co.	26 Main Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street

WEYMOUTH

127	Household Finance Corporation of Weymouth	435 Washington Street
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EAST WEYMOUTH

355	Time Finance Company of E. Weymouth	882 Broad Street
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WHITINSVILLE

315	Bell Acceptance Corp.	159 Church Street
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WILLIAMSTOWN

300	Pioneer Credit Corporation	Colonial Shopping Center
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WINTHROP

342	Highland Enterprises, Inc.	196 Hagman Road
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WOBURN

128	American Finance Corporation of Middlesex County ...	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance Company of Woburn	341 Main Street

WOLLASTON

11	G. A. C. Finance Corp. of Wollaston	43 Billings Road
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WORCESTER

124	Associates Consumer Finance Company, Inc.	9 Walnut Street
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	2 Foster Street
270	Beneficial Finance Co.	1125a Main Street
174	Budget Finance Plan	421 Main Street
331	City Finance, Inc.	340 Main Street
94	Commercial Credit Plan Incorporated	290 Main Street
327	Consumers Financing Service, Inc.	8 Norwich Street
210	Dial Finance Corporation	544 Main Street
31	G. A. C. Finance Corporation, Inc.	500 Park Avenue
337	G. A. C. Finance Corporation of Worcester	74 Franklin Street
131	Household Finance Corporation	545g Lincoln Street
224	Household Finance Corporation	390 Main Street
316	Household Finance Corporation of Worcester	1073 Main Street
34	Italian Finance Company of Worcester	157 Shrewsbury Street
251	Liberty Loan Company of Massachusetts	405 Main Street
119	M-A-C Finance Plan, Inc. of Worcester	34 Mechanic Street
221	M-A-C Loan Plan, Inc.	332 Main Street
99	Parker Acceptance Corporation	283 Main Street
359	Parker Acceptance Corp. d/b/a O'Coins Credit	239a Mill Street
13	Public Finance Company	390 Main Street
69	Public Finance Company	507 Main Street
68	Seaboard Finance Company	263 Park Avenue
213	Time Finance Corporation of Worcester	496 Park Avenue

SS.
CS.
LL.

The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES



ANNUAL REPORT

OF THE

COMMISSIONER OF BANKS

FOR THE

YEAR ENDING DECEMBER 31, 1968

RELATING TO

LICENSED SMALL LOAN LENDERS

The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES
Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

COMMISSIONER OF BANKS
FREYDA P. KOPLOW

DEPUTY COMMISSIONER OF BANKS
WILLIAM P. MORRISSEY

DEPUTY COMMISSIONER OF BANKS
AND
GENERAL COUNSEL
ROBERT J. MAIETTA

SUPERVISOR OF LOAN AGENCIES
ROBERT S. LEADBETTER

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- EXHIBIT D. Analysis of Loans by Size
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The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS

Leverett Saltonstall Building, Government Center

100 Cambridge Street, Boston

July 8, 1969

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1968.

Respectfully,

FREYDA P. KOPLOW

Commissioner of Banks

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing—as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1968, there were three hundred and forty-nine small loan licenses outstanding.

During the calendar year, 1968, 257,034 loans of \$3,000 or less amounting to \$200,322,562.68, which is less unearned charges, were made. These figures represent a decrease of 168 in the number of loans made and an increase of \$16,907,231.47 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$779.36 as compared to \$713.12 for the calendar year 1967.

On December 31, 1968, there were 271,122 regulated loans of \$3,000 or less outstanding with a face value of \$225,157,767.94 which includes unearned charges amounting to \$41,375,562.70. These figures represent a decrease of 13,496 in the number and an increase of \$9,650,639.42 in the amount of net loans outstanding since the beginning of the calendar year.

The average net loan outstanding on December 31, 1968 was \$677.86 as compared with \$611.81 on December 31, 1967.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$4,913,639.02.

Gross income for the period totaled \$40,906,750.81 of which \$367,180.13 represents recoveries on loans previously charged off and \$283,873.52 represents other income. Operating expenses aggregating \$17,624,057.91 include \$2,745,424.26 of home office expenses; charge-offs on bad debts amounting to \$905,339.10 and an addition of \$3,987,636.22 to the valuation reserve combine to make a total expense of \$22,517,033.23 which, deducted from gross income, leaves a balance of \$18,389,717.58 representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$4,602,615.88 remains after deducting interest on borrowed funds amounting to \$8,426,412.81 and federal income taxes amounting to \$5,360,688.89.

As of December 31, 1968, the book assets amounted to \$198,204,121.37. The cash in office and in banks amounted to \$2,786,930.30 which includes \$555,622.95 in compensating balances. Home Office assets allocated to Massachusetts Licensees consist of cash of \$5,835,994.80 and other assets of \$8,049,871.20 making a total of \$13,885,866.00. Compensating balances included in the allocation amount to \$3,634,836.88 which when totaled will produce compensating balances of \$4,190,459.83. Total assets as shown in Exhibit B less compensating balances produce assets of \$194,013,661.54.

This department does not consider compensating balances to be assets. They are used here as a deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The maximum interest charges permitted on loans of \$3,000.00 or less for licensed small loan lenders is $2\frac{1}{2}\%$ per month on any part of the unpaid principal balance not exceeding \$200; 2% per month on any part of the unpaid principal balance exceeding \$200.00 but not exceeding \$600; $1\frac{3}{4}\%$ per month on that part of the unpaid balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1% per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6% per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000.00 or less for unlicensed lenders is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charge permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over twenty-five thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time of the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1968

CHAPTER	AMENDMENT TO:	DESCRIPTION
164	G. L., C. 140, new s. 100A	An Act Limiting the Charges for Insuring the Life or Health of Certain Borrowers.
216	G. L., C. 255B, s. 10	An Act Limiting the Charges for Certain Insurance Issued in Connection with Retail Instalment Sales of Motor Vehicles.
354	G. L., C. 140A, s. 1 G. L., C. 255B, s. 1 G. L., C. 255C, s. 1 G. L., C. 255D, s. 1	An Act Further Defining the Annual Finance Charge Formula in the Truth in Lending Law.
394	G. L., C. 255, new s. 12e	An Act Limiting the Liability of the Owner of a Credit Card or other Like Credit Device.
543	G. L., C. 255D, new 32	An Act Making Certain Clarifying Changes in the Law Relating to Retail Installment Sales and Services.
615	G. L., C. 255D, new s. 22A	An Act Relative to Loan Transactions Made in Avoidance of the Laws Pertaining to Retail Instalment Sales.

The Commonwealth of Massachusetts
ANNUAL REPORT OF THE COMMISSIONER OF BANKS
FOR THE YEAR ENDED DECEMBER 31, 1968
(General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1968
(Loan Business of \$3,000 or Less)

LICENSED AGENCIES
349

Receivables:		
(a) Gross Amount		\$225,157,767.94
(b) Less: Unearned Charges		41,375,562.70
(c) Less: Allowance for Bad Debts		5,225,145.01
(d) Net Receivables		\$178,557,060.23
Cash in Office and in Banks		2,786,930.30
Real Estate (Less Allowance for Depreciation-Buildings)		163,800.71
Furniture, Fixtures, Equipment (Less Allowance for Depreciation		874,641.72
Deferred Charges or Prepaid Expense		432,340.72
Other Assets: (Itemize)		
(a) Organization and Development Expense	\$ 124,293.92	
(b) Cost of Financing	8,752.06	
(c) Investments	465,523.10	
(d) Miscellaneous Notes and Accounts Receivable	621,700.35	
(e) Miscellaneous	283,212.26	1,503,481.69
Total Assets		\$184,318,255.37
Home Office Assets Allocated to Massachusetts Licensees		13,885,866.00
Total		\$198,204,121.37
Compensating Balances Included in Cash	\$ 555,622.95	
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees		3,634,836.88
Total Compensating Balances Included in Assets	\$ 4,190,459.83	

EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1968

(Loan Business of \$3,000 or Less)

<i>Gross Income</i>	
Charges Collected and/or Earned	\$39,027,982.93
Delinquency Charges Collected	1,227,714.23
Collection on Accounts Previously Charged Off	367,180.13
Other Income:	
(a) Gain on Sale of Assets	\$ 4,669.54
(b) Income from Investments	35,718.44
(c) Miscellaneous	243,485.54
Total Gross Income	<u>\$40,906,750.81</u>
<i>Expenses of Conducting Business</i>	
Advertising	1,272,008.31
Auditing	78,922.47
Bad Debts:	
(a) Charged Off	\$ 905,339.10
(b) Addition to Reserve	3,987,636.22
Depreciation of Furniture, Fixtures and Equipment	196,628.98
Recording and Acknowledging Fees	2,650.36
Insurance and Fidelity Bonds	77,446.91
Legal Fees and Disbursements	465,504.38
Postage and Express	293,103.86
Printing, Stationery and Supplies	197,469.48
Rent	1,280,608.37
Salaries	7,220,044.59
Supervision and Administration	550,730.31
Taxes (Excluding Federal Taxes on Income)	
(a) State Income	\$ 405,718.87
(b) License Fees	130,728.32
(c) All Other Taxes	498,396.58
Telephone and Telegraph	855,039.81
Travel	334,746.91
Other Expenses of Conducting Business	1,018,885.14
Total	<u>\$19,771,608.97</u>
Total Home Office Expenses	2,745,424.26
Cost of Borrowed Funds	8,425,412.81
Total Expenses	<u>\$30,943,446.04</u>
Net Earnings Before Federal Income Taxes	\$ 9,963,304.77
Federal Income Taxes	\$ 5,360,688.89
Total Expenses After Income Taxes	<u>\$36,304,134.93</u>
Net Earnings After Income Taxes and Interest, on Borrowed Funds	<u>\$ 4,602,615.88</u>

EXHIBIT D

ANALYSIS OF LOANS BY SIZE
(Loans of \$3,000 or Less)

	Number	Amount
Total Loan Balances Outstanding (Less Unearned Charges)		
at Beginning of Period	282,623	\$173,256,029.30
(a) Loans of \$ 100.00 or Less	4,982	331,618.28
(b) Loans of \$ 100.01 to \$ 200.00	22,228	3,143,090.04
(c) Loans of \$ 200.01 to \$ 300.00	25,646	6,203,022.36
(d) Loans of \$ 300.01 to \$ 400.00	26,987	9,127,882.64
(e) Loans of \$ 400.01 to \$ 500.00	22,930	10,183,475.75
(f) Loans of \$ 500.01 to \$ 600.00	24,652	13,358,604.82
(g) Loans of \$ 600.01 to \$1,000.00	57,707	44,488,035.59
(h) Loans of \$1,000.01 to \$1,500.00	40,487	49,000,129.59
(i) Loans of \$1,500.01 to \$3,000.00	31,415	64,486,703.61
Total Loans Made During the Period	257,034	\$200,322,562.68
Loan Balances Purchased During the Period	12,231	7,339,887.41
Loan Balances Sold During the Period	9,679	5,970,929.59
Loan Balances Charged Off During the Period	10,588	4,913,639.02
Collections During the Period		186,251,705.54
Total Loan Balances Outstanding (Less Unearned Charges)		
at the End of the Period	271,122	\$183,782,205.24

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY
(Loans of \$3,000 or Less)

	Number	Amount
Loans Made During the Period Based in Whole or in Large Part on:		
(a) Chattel Mortgages on Household Goods	111,010	\$115,778,179.37
(b) Automobiles	15,866	15,514,810.15
(c) Real Estate	100	142,050.86
(d) Other Chattels	6,367	6,115,145.92
(e) Unsecured Notes	114,165	55,614,531.62
(f) Endorsed and/or Co-Maker Notes	7,722	5,025,101.13
(g) Wage Assignments	13	9,833.19
(h) Other Considerations	1,791	2,122,910.44
Total	257,034	\$200,322,562.68

EXHIBIT F

ANALYSIS OF LOANS MADE FOR LAST FIVE YEARS

(Loans of \$3,000 or Less)

	1964	1965	1966	1967	1968
Number	304,094	309,362	276,214	257,202	257,034
Amount	\$178,943,549.27	\$192,815,300.98	\$181,029,088.42	\$183,415,331.21	\$200,322,562.68

EXHIBIT G

SUITS, POSSESSION AND SALE OF CHATTELS

(Loans of \$3,000 or Less)

	Number	Amount Due
Suits for Recovery:		
(a) Pending at Close of Previous Period	3,658	\$ 2,278,014.19
(b) Instituted During Period	2,275	1,605,961.42
(c) Total	5,933	\$ 3,883,975.61
(d) Judgment Secured During Period	1,316	\$ 895,284.69
(e) Settled Before Judgment During the Period	1,506	943,481.95
(f) Total	2,822	\$ 1,838,766.64
(g) Pending at Close of Current Period	3,111	\$ 2,045,208.97
Wage Assignments Filed During Period	89	\$ 54,567.89
Possession of Chattels Obtained by Licensee:		
(a) By Legal Process or Contract Right:		
(1) Household Goods	433	\$ 202,246.94
(2) Automobiles	70	\$ 79,524.87
(3) Other Chattels and Property	454	\$ 221,023.66
(b) By Voluntary Surrender:		
(1) Household Goods	11	\$ 7,662.87
(2) Automobiles	85	\$ 118,588.84
(3) Other Chattels and Property	22	\$ 17,581.45
Sales of Chattels by Licensees:		Amount Collected
(a) With Borrower's Consent	91	\$ 119,585.25
(b) Without Borrower's Consent	52	\$ 59,566.71
		\$ 25,693.17

EXHIBIT H

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1968
(Total Loan and Finance Business)

ASSETS			
Receivables:			
(a) Gross Amount			\$252,746,825.03
(b) Less: Unearned Charges			43,626,784.45
(c) Less: Allowance for Bad Debts			6,169,815.30
(d) Net Receivables			\$202,950,225.28
Cash in Office and in Banks			3,899,238.74
Real Estate (Less Allowance for Depreciation-Buildings)			885,509.60
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)			1,035,075.56
Deferred Charges or Prepaid Expense			524,699.67
Other Assets:			
(a) Organization or Development Expense	\$	237,354.11	
(b) Cost of Financing		12,323.33	
(c) Investments		6,038,400.28	
(d) Miscellaneous Notes and Accounts Receivable		993,784.95	
(e) Miscellaneous		453,856.32	7,735,718.99
Total Assets			\$217,030,467.84
Home Office Assets Allocated to Massachusetts Licensees			
			16,099,024.21
Total			\$233,129,492.05
LIABILITIES AND CAPITAL			
Accounts and Notes Payable:			
(a) Banks	\$	15,960,760.03	
(b) Due to Parent Company or Affiliate		63,438,081.45	
(c) Other Short Term Notes and Accounts		3,519,365.68	\$ 82,918,207.16
Bonds			3,273,812.91
Long Term Notes			3,749,421.16
Investment Certificates			1,924,500.68
Other Liabilities:			
(a) Accrued Expense	\$	387,159.51	
(b) Other Expense Reserves		2,349,042.26	2,736,201.77
Branch Office Capital			90,487,788.57
Net Worth (If Individual or Partnership)			265,105.76
Capital Stock (If Corporation):			
(a) Preferred	\$	2,254,708.58	
(b) Common		11,676,786.64	13,931,495.22
Paid in Surplus			6,561,785.88
Appropriated Surplus or Capital Reserve			9,730.00
Retained Earnings			11,172,418.73
Total Liabilities and Capital			\$217,030,467.84
Compensating Balances Included in Cash			
	\$	1,103,401.21	
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees			
			4,061,095.39
Total Compensating Balances Included in Assets			\$ 5,164,496.60

EXHIBIT I

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1968

(Total Loans and Finance Business)

GROSS INCOME

Charges Collected and/or Earned		\$42,484,621.47
Delinquency Charges Collected		1,337,132.64
Collections on Accounts Previously Charged Off		493,487.68
Other Income:		
(a) Gain on Sale of Assets	\$ 31,137.89	
(b) Income from Investments	108,420.17	
(c) Miscellaneous	368,423.12	507,981.18
Total Gross Income		<u>\$44,823,222.97</u>

EXPENSES OF CONDUCTING BUSINESS

Advertising		\$ 1,346,704.51
Auditing		112,237.80
Bad Debts:		
(a) Charged Off	\$ 918,440.26	
(b) Addition to Reserve	4,643,981.80	5,562,422.06
Depreciation of Furniture, Fixtures and Equipment		240,217.13
Recording and Acknowledging Fees		7,042.71
Insurance and Fidelity Bonds		102,331.84
Legal Fees and Disbursements		558,299.84
Postage and Express		335,932.19
Printing, Stationery and Supplies		233,355.85
Rent		1,452,732.08
Salaries		8,375,353.10
Supervision and Administration		652,974.74
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	\$ 452,875.44	
(b) License Fees	188,379.93	
(c) All Other Taxes	581,135.06	1,222,390.43
Telephone and Telegraph		969,459.02
Travel		398,929.24
Other Expenses of Conducting Business		1,472,423.98
Total		<u>\$23,042,806.52</u>
Total Home Office Expenses		2,949,410.60
Cost of Borrowed Funds		9,674,748.04
Total Expenses		<u>\$35,666,965.16</u>
Net Earnings Before Federal Income Taxes		<u>\$ 9,156,257.81</u>
Federal Income Taxes		\$ 5,561,116.62
Total Expenses After Income Taxes		<u>\$41,228,081.78</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u>\$ 3,595,141.19</u>

EXHIBIT J**LICENSED SMALL LOAN AGENCIES**

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of June 1, 1969.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
303	Associates Consumer Finance Company, Inc.	620 Centre St., Jamaica Plain
53	Beatty, Charles S., Company	7 Water Street
63	Belmont Finance Company	453 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	80 Boylston Street
117	Beneficial Finance Co.	5 Bromfield Street
239	Beneficial Finance Co.	8 Winter Street
66	Beneficial Finance Co.	570 Columbia Rd., Dorchester
231	Beneficial Finance Co.	1257 River St., Hyde Park
204	Beneficial Finance Co.	4640 Washington St., Roslindale
235	Beneficial Finance Co.	105 Dorchester St., So. Boston
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plan Incorporated	150 Tremont Street
93	Dial Finance Company of Boston, Inc.	15 School Street
217	Dial Finance Company of Boston No. 2, Inc.	38 Chauncy Street
186	Dial Finance Company of Boston No. 1, Inc.	87 Summer Street
92	Family Loan Corporation of Massachusetts	41 Winter Street
149	Family Loan Corporation of Brighton	359 Washington St., Brighton
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dor.
192	Firemen's Finance Company, Inc.	25 Huntington Ave.
278	Friendly Loan Corporation	21 Porter St., East Boston
29	G. A. C. Finance Corporation of Mattapan	524 River St., Mattapan
356	G. A. C. Finance Corporation of Boston	373 Washington Street
328	G. A. C. Finance Corporation of Boston, No. 2	126 State Street
360	Globe Finance Company, Inc.	677 Beacon Street
16	Household Finance Corporation	80 Boylston Street
49	Household Finance Corporation	175 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
223	Household Finance Corporation	47 Winter Street
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
280	Kane Finance Company	225 Franklin Street
176	Local Finance Company	128a Tremont Street
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nestor-Hall Company	7 Water Street
247	Northeast Finance Corporation	1872 Centre St., West Roxbury
354	Postal Finance Company, Inc.	262 Washington Street
374	Postal Finance Company of Boston, Inc.	53 Winter Street
111	Public Finance Company	145 Tremont Street
200	Public Finance Company	31 St. James Avenue
216	Public Finance Company	333 Washington Street
306	Public Finance Company	501 Washington Street
305	Public Finance Company	1492 Dorchester Ave., Dor.
61	Public Finance Company	230 Meridian St., East Boston
184	Public Finance Company	1232 River Street, Hyde Park
218	Public Finance Company	4252 Washington St., Roslindale
145	State Loan Co.	619 Washington Street
347	Sumner Finance Company	262 Washington Street
319	Universal C.I.T. Credit Company	176 Mt. Vernon St., Dorchester

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
AGAWAM		
341	Universal C.I.T. Credit Company	324 Walnut Street
AMESBURY		
345	G. A. C. Finance Corporation of Amesbury	41 Main Street
ANDOVER		
98	Andover Finance Company	Musgrove Bldg., Elm Sq.
ARLINGTON		
326	American Finance Corporation of Middlesex County ..	457 Massachusetts Avenue
297	Universal C.I.T. Credit Company	11 Mystic Street
ATHOL		
162	Public Finance Company	516 Main Street
ATTLEBORO		
48	Beneficial Finance Co.	7 Park Street
252	Blackstone Finance, Inc. of Attleboro	25 Bank Street
130	Public Finance Company	39 Park Street
BEVERLY		
58	American Finance Corporation of Lynn	269 Cabot Street
214	Associates Consumer Finance Company, Inc.	263 Cabot Street
181	Beneficial Finance Co.	236 Cabot Street
BRAINTREE		
240	Credithrift of America Inc., No. 2	250 Granite Street
BROCKTON		
133	Beneficial Finance Co.	190 Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
253	Dial Finance Company of Brockton, Inc.	726 Crescent Street
353	G. A. C. Finance Corporation, Inc.	Store 31 B, Westgate Shopping Center
194	Household Finance Corporation	172 Main Street
299	Liberty Loan Company of Brockton	231 Main Street
87	Local Finance Company of Brockton	95 Main Street
104	Public Finance Company	142 Main Street
289	Seaboard Finance Company	158 Main Street
190	Time Finance Company of Brockton	105 Main Street
350	Universal C.I.T. Credit Company	286 No. Main Street
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard Street
47	G. A. C. Finance Corporation, Inc.	1300 Beacon Street
141	Household Finance Corporation	1330 Beacon Street
BURLINGTON		
222	Dial Finance Company of Burlington, Mass., Inc.	226 Cambridge Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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CAMBRIDGE

71	Beneficial Finance Co.	519 Massachusetts Ave.
134	Beneficial Finance Co.	622 Massachusetts Ave.
64	Household Finance Corporation	678 Massachusetts Ave.
80	Household Finance Corporation	27 White Street
296	Liberty Loan Company of Cambridge	765 Massachusetts Ave.
36	Postal Finance Company of Cambridge, Inc.	552 Massachusetts Ave.
159	Public Finance Company	495 Massachusetts Ave.

CANTON

290	Time Finance Company of Canton	612 Washington Street
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CHELMSFORD

358	G. A. C. Finance Corporation of Chelmsford	95 Chelmsford Street
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CHELSEA

195	Beneficial Finance Co.	279 Broadway
309	Public Finance Company	438 Broadway

CHICOPEE

234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corporation of Chicopee	10 Center Street

CLINTON

106	Associates Consumer Finance Co., Inc.	70 High Street
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DEDHAM

357	Time Finance Company of Dedham	515 Providence Highway
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EASTHAMPTON

3	Local Finance Company of Easthampton	62 Main Street
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EVERETT

197	Beneficial Finance Co.	411 Broadway
51	Everett Loan Co. Inc.	427a Broadway
310	Public Finance Company	164 School Street

FAIRHAVEN

351	Universal C.I.T. Credit Company	102 Huttleston Ave.
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FALL RIVER

28	Beneficial Finance Co.	33 Bedford Street
166	Cascade Finance Company	391 So. Main Street
165	Commercial Credit Plan Incorporated	435 Columbia Street
10	Dial Finance Company of Fall River, Inc.	259 So. Main Street
18	G. A. C. Finance Corp. of Fall River	1467 So. Main Street
27	Household Finance Corporation	13 Borden Street
12	Liberty Loan and Realty Co. Inc.	204 Thomas Street
209	Local Finance Company of Fall River	17 No. Main Street
45	M-A-C Loan Plan, Inc. of Fall River	314 So. Main Street
37	Public Finance Company	114 So. Main Street
367	Stanley Company, Inc., The	64 No. Main Street
39	Time Finance Company of Fall River	304 So. Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
FALMOUTH		
288	Beneficial Finance Co.	181 Main Street
FITCHBURG		
375	Associates Consumer Finance Company, Inc.	765 Main Street
32	Beneficial Finance Co.	347 Main Street
52	Household Finance Corporation	457 Main Street
74	M-A-C Finance Plan, Inc. of Fitchburg	558 Main Street
273	Public Finance Company	516 Main Street
FRAMINGHAM		
173	Beneficial Finance Co.	106 Concord Street
178	General Finance Corp. of Framingham	129A Concord Street
260	Household Finance Corporation of Framingham	36 Concord Street
254	Local Finance Company of Framingham	32 Union Avenue
95	Public Finance Company	18 Union Avenue
GARDNER		
232	Beneficial Finance Co.	49 Parker Street
161	Public Finance Company	11 Pleasant Street
GLOUCESTER		
59	Public Finance Company	82 Main Street
GREAT BARRINGTON		
21	Pioneer Credit Corporation	337 Main Street
GREENFIELD		
146	Beneficial Finance Co.	239 Main Street
153	Guaranty Loan Co. of Greenfield	209 Main Street
283	Household Finance Corp. of Greenfield	158 Main Street
HAVERHILL		
233	American Finance Corporation of Watertown	21 Washington Square
105	Beneficial Finance Co.	143 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corporation of Haverhill	91 Merrimack Street
263	Liberty Loan Company of Merrimack	6 Main Street
120	Public Finance Company	181 Merrimack Street
HOLYOKE		
40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Company of Holyoke, Inc.	320 High Street
245	Household Finance Corporation of Holyoke	353 High Street
175	Public Finance Company	348 High Street
291	Signal Finance Corporation	392 High Street
HYANNIS		
76	Beneficial Finance Co.	436 Main Street
226	Commercial Credit Plan, Incorporated	509 Main Street
284	Household Finance Corporation of Hyannis	396 Main Street
338	Local Finance Company of Hyannis	29 North Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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INDIAN ORCHARD

241	The New Method Finance Corporation	529 Main Street
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LAWRENCE

370	American Finance Corp. of Middlesex County	204 Essex Street
147	Beneficial Finance Co.	27 Amesbury Street
277	Community Finance, Inc. of Lawrence	125 Amesbury Street
262	Household Finance Corporation of Lawrence	380 Essex Street
30	Local Loan & Finance Co. Inc.	79 Common Street
114	Public Finance Company	15 Lawrence Street

LEOMINSTER

83	Associates Consumer Finance Company, Inc.	44 Main Street
148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corporation	10 Monument Square

LOWELL

101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	76 Merrimack Street
179	Beneficial Finance Co.	97 Central Street
279	Central Finance Service, Inc.	19 Palmer Street
322	Commercial Credit Plan, Incorporated	176 Church Street
313	Fidelity Consumer Finance Corporation	40 Central Street
312	G. A. C. Finance Corporation of Lowell	813 Lakeview Avenue
172	Household Finance Corporation	100 Merrimack Street
369	Kels Investment Corporation	331 Westford Street
301	Liberty Loan Company of Lowell	58 Central Street
317	Lowell Finance Company, Inc.	217 Appleton Street
269	Merrimack Valley Finance Co. Inc.	1 Merrimack Street
14	Public Finance Company	2 Kearney Square

LYNN

314	American Finance Corporation of Lynn	14 Central Square
122	Beneficial Finance Co.	22 Market Street
371	Dial Finance Company of Lynn, Inc.	116 Market Street
365	Homemakers Loan & Consumer Discount Co.	319 Lynnway
154	Household Finance Corporation	341 Union Street
295	Liberty Loan Company	171A Union Street
19	Public Finance Company	29 Central Square
229	Seaboard Finance Company of Lynn, Inc.	56 Central Square
41	United Insurance Finance Corporation	14 Central Avenue
352	Universal C.I.T. Credit Company	21 State Street

MALDEN

103	Beneficial Finance Co.	150 Pleasant Street
107	Beneficial Finance Co.	444 Pleasant Street
323	Commercial Credit Plan Incorporated	33 Dartmouth Street
321	Dial Finance Company of Malden, Inc.	3 Pleasant Street
6	Household Finance Corporation	60 Pleasant Street
152	National Finance Company, Inc.	50 Pleasant Street
72	Public Finance Company	5 Pleasant Street
227	State Loan Co. Inc.	482 Main Street

MANSFIELD

62	The Mansfield Finance Company, Inc.	5 Old Colony Road
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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MARLBOROUGH

65	Beneficial Finance Co.	214 Main Street
171	Marlboro Finance Corp.	217 Main Street
109	Parker Acceptance Corporation	132 Main Street

MEDFORD

199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Company	24 Riverside Avenue
24	Public Finance Company	648 Fellsway

MIDDLEBOROUGH

250	Beneficial Finance Co.	6 So. Main Street
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MILFORD

207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	240 Main Street
373	Ideal Finance, Inc.	197 Main Street
255	Local Finance Company of Milford	179 Main Street
110	Milford Finance Corporation	182 Main Street

NATICK

236	M A C Loan Plan, Inc. of Natick	11a West Central Street
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NEW BEDFORD

44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
336	Bristol Acceptance Trust, Inc.	292 Union Street
46	Community Plan Incorporated	558 Pleasant Street
193	Credithrift of America, Inc. No. 2	634 Pleasant Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 Rivet Street
90	Public Finance Company	915 Purchase Street
100	Seaboard Finance Company	71 William Street
7	Wamsutta Finance Co. Inc.	222 Union Street

NEWBURYPORT

150	Beneficial Finance Co.	80 State Street
9	G. A. C. Finance Corp. of Newburyport	19 Green Street

NEWTON

25	Avco National Corporation	995 Watertown St., W. Newton
201	Beneficial Finance Co.	325 Walnut St., Newtonville
348	Brainerd Finance Company	1279 Washington St., W. Newton

NORTH ADAMS

151	Beneficial Finance Co.	59 Main Street
298	Dial Finance Company of North Adams	42 Main Street
307	Liberty Loan Company of Adams	14 Ashland Street
42	M-A-C Finance Plan, Inc. of North Adams	85 Main Street

NORTH ATTLEBOROUGH

54	Public Finance Company	11 So. Washington St.
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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NORTHAMPTON

264	Household Finance Corp. of Northampton	70 Main Street
35	Local Finance Company of Northampton	159 Main Street
113	M-A-C Finance Plan, Inc. of Northampton	142 Main Street

NORWOOD

196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corp. of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street

PALMER

274	Guaranty Loan Co. of Palmer	366 Main Street
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PEABODY

144	Household Finance Corporation of Peabody	N. Shore Shopping Center
256	Local Finance Company of Peabody	70 Main Street

PITTSFIELD

88	Beneficial Finance Co.	361 North Street
4	Budget Finance Plan	278 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
366	Greylock Finance, Inc.	631 North Street
265	Household Finance Corporation of Pittsfield	86 North Street
185	M-A-C Finance Plan, Inc. of Pittsfield	23 North Street
286	Pioneer Credit Corporation	415 North Street
170	Public Finance Company	313 North Street
206	Universal C.I.T. Credit Company	346 North Street

PLYMOUTH

203	Beneficial Finance Co.	25 Main Street
333	Local Finance Company of Plymouth	20 Court Street

QUINCY

248	American Finance Corporation of Quincy	1620 Hancock Street
136	Beneficial Finance Co.	113 Parkingway
75	Family Loan Corporation of Quincy	10 Chestnut Street
363	Homemakers Loan & Consumer Discount Co.	1073 Hancock Street
180	Household Finance Corporation	148 Parkingway
304	Local Finance Company of Quincy	1388 Hancock Street
116	Public Finance Company	1468 Hancock Street
243	Seaboard Finance Company	1466 Hancock Street
169	Time Finance Company of Quincy	1426 Hancock Street

RANDOLPH

340	Dial Finance Company of Randolph, Inc.	322 Main Street
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READING

97	G. A. C. Finance Corporation of Wakefield	580 Main Street
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REVERE

246	Paul Revere Loan Association, Inc.	206 Broadway
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
ROCKLAND		
257	Local Finance Company of Rockland	257 Union Street
SALEM		
189	American Finance Corp. of Quincy	16 New Derby Street
137	Beneficial Finance Co.	116 Washington Street
183	Household Finance Corporation	75 Washington Street
271	Public Finance Company	211 Essex Street
56	State Loan Co. Inc.	247 Essex Street
SAUGUS		
198	Household Finance Corporation of Saugus	1307 Broadway
SHREWSBURY		
23	Public Finance Company	384-C Maple Avenue
349	Universal C.I.T. Credit Company	50 Boston Turnpike
SOMERSET		
225	Local Finance Company of Somerset	933 County Street
SOMERVILLE		
33	Beneficial Finance Co.	258 Elm Street
96	Family Loan Corporation of Somerville	415 Highland Avenue
177	Household Finance Corporation	249 Elm Street
329	People's Finance Company of Boston, Inc.	59 Union Square
272	Public Finance Company	409A Highland Avenue
211	State Loan Co. of Somerville	128 Dover Street
SOUTHBRIDGE		
191	Morrison Finance Corporation	1 Elm Street
187	Public Finance Company	312 Main Street
SPRINGFIELD		
210	American Finance Corp. of Watertown	1228 Main Street
91	Associates Consumer Finance Company, Inc.	620 State Street
50	Beneficial Finance Co.	1277 Main Street
73	Beneficial Finance Co.	1618 Main Street
167	Commercial Credit Plan Incorporated	297 Bridge Street
102	Credithrift of America, Inc. No. 2	43 Pearl Street
142	Dial Finance Co. of Springfield, Mass., No. 1, Inc. ..	1570 Main Street
220	Dial Finance Company of Springfield, Mass., Inc.	1173 Main Street
293	G. A. C. Finance Corporation, Inc.	1355 Liberty Street
364	Homemakers Loan & Consumer Discount Co.	622 State Street
139	Household Finance Corporation	1431 Main Street
125	Ideal Budget Plan, Inc.	1421 Main Street
86	Liberty Loan Company of Springfield	145 State Street
343	M-A-C Finance Plan, Inc. of Forest Park	390 Dickinson Street
8	M-A-C Finance Plan, Inc. of Springfield	1211 Boston Road
60	New Method Finance Corporation	1688 Main Street
163	Public Finance Company	1567 Main Street
276	Seaboard Finance Company	1645 Main Street
292	Signal Finance Corporation	163 State Street
212	Time Finance Company of Springfield	1537 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
STONEHAM		
266	Household Finance Corp. of Stoneham	83 Main Street
STOUGHTON		
308	Local Finance Company of Stoughton	54 Porter Street
TAUNTON		
81	Beneficial Finance Co.	75 Main Street
268	Blackstone Finance, Inc. of Taunton	6 Trescott Street
70	Liberty Loan Company of Taunton	4 Cedar Street
258	Local Finance Company of Taunton	3 Main Street
67	Taunton Loan Co.	28 Broadway
WAKEFIELD		
237	Beneficial Finance Co.	407 Main Street
376	Ford Motor Credit Company	599 North Avenue
WALPOLE		
156	Dial Finance Company of Walpole, Inc.	940 Main Street
WALTHAM		
135	Beneficial Finance Co.	371 Moody Street
79	Household Finance Corporation	333 Moody Street
302	Liberty Loan Company of Waltham	6 Cushing Street
123	Public Finance Company	389 Moody Street
244	Seaboard Finance Company	24 Crescent Street
WARE		
17	Guaranty Loan Co. of Ware	5 Bank Street
WAREHAM		
368	Wilson Finance Corporation	Store #4, Shoppers' Plaza
WATERTOWN		
334	American Finance Corporation of Watertown	34 Mt. Auburn Street
325	Better Budget, Inc.	8 Bigelow Avenue
138	Dial Finance Company of Watertown, Inc.	2A Mt. Auburn Street
WEBSTER		
164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	112 Main Street
WESTFIELD		
112	Beneficial Finance Co.	26 Main Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street
WEYMOUTH		
372	Commercial Credit Plan Incorporated	809 Washington St., E. Wey.
127	Household Finance Corporation of Weymouth	116 Main Street
355	Time Finance Company of Weymouth	882 Broad St., E. Weymouth

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WHITINSVILLE

315	Dial Finance Company of Whitinsville, Inc.	185 Church Street
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WILLIAMSTOWN

300	Pioneer Credit Corporation	Colonial Shopping Center
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WINTHROP

342	Highland Enterprises, Inc.	196 Hagman Road
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WOBURN

128	American Finance Corp. of Middlesex County	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance Company of Woburn	341 Main Street

WOLLASTON

11	G. A. C. Finance Corporation of Wollaston	43 Billings Road
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WORCESTER

124	Associates Consumer Finance Company, Inc.	9 Walnut Street
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	2 Foster Street
270	Beneficial Finance Co.	1086 Main Street
174	Budget Finance Plan	421 Main Street
331	City Finance, Inc.	289 Main Street
94	Commercial Credit Plan Incorporated	945 Grafton Street
327	Consumers Financing Service, Inc.	8 Norwich Street
126	Dial Finance Company of Worcester, Inc.	544 Main Street
31	G. A. C. Finance Corporation, Inc.	500 Park Avenue
337	G. A. C. Finance Corporation of Worcester	74 Franklin Street
131	Household Finance Corporation	545G Lincoln Street
224	Household Finance Corporation	390 Main Street
316	Household Finance Corporation of Worcester	1073 Main Street
34	Italian Finance Company of Worcester	157 Shrewsbury Street
251	Liberty Loan Company of Massachusetts	405 Main Street
119	M-A-C Finance Plan, Inc. of Worcester	34 Mechanic Street
221	M-A-C Loan Plan, Inc.	46 Myrtle Street
99	Parker Acceptance Corporation	283 Main Street
359	Parker Acceptance Corp'n d/b/a O'Coins Credit	239A Mill Street
13	Public Finance Company	390 Main Street
69	Public Finance Company	507 Main Street
68	Seaboard Finance Company	285 Park Ave.
213	Time Finance Company of Worcester	496 Park Ave.



MASS.
DOCS.
COLL.

The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES



Commonwealth of Massachusetts
Sealed
JUL 2 1970
University of Massachusetts

FRANCIS W. SARGENT

Governor

ANNUAL REPORT
OF THE
COMMISSIONER OF BANKS
FOR THE
YEAR ENDING DECEMBER 31, 1969

RELATING TO
LICENSED SMALL LOAN LENDERS

The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES
Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

COMMISSIONER OF BANKS
FREYDA P. KOPLOW

DEPUTY COMMISSIONER OF BANKS
WILLIAM P. MORRISSEY

DEPUTY COMMISSIONER OF BANKS
AND
GENERAL COUNSEL
ROBERT J. MAIETTA

SUPERVISOR OF LOAN AGENCIES
ROBERT S. LEADBETTER

The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS

Leverett Saltonstall Building, Government Center

100 Cambridge Street, Boston

June 10, 1970

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1969.

Respectfully,

FREYDA P. KOPLOW

Commissioner of Banks

TABLE OF EXHIBITS

- EXHIBIT A. Legislation.
- EXHIBIT B. Composite Statement of Assets
(Loan Business of \$3,000 or Less).
- EXHIBIT C. Composite Statement of Income and Expense
(Loan Business of \$3,000 or Less).
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- EXHIBIT H. Consolidated Statement of Financial Condition
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General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing—as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1969, there were three hundred and forty-one small loan licenses outstanding.

During the calendar year, 1969, 226,091 loans of \$3,000 or less amounting to \$189,160,506.90, which is less unearned charges, were made. These figures represent a decrease of 30,943 in the number of loans made and a decrease of \$11,162,055.78 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$833.67 as compared to \$779.36 for the calendar year 1968.

On December 31, 1969, there were 258,749 regulated loans of \$3,000 or less outstanding with a face value of \$228,239,959.22 which includes unearned charges amounting to \$41,612,464.31. These figures represent a decrease of 12,373 in the number and an increase of \$2,845,289.67 in the amount of net loans outstanding since the beginning of the calendar year.

The average net loan outstanding on December 31, 1969 was \$721.27 as compared with \$677.86 on December 31, 1968.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$5,556,008.05.

Gross income for the period totaled \$40,828,164.06 of which \$360,882.03 represents recoveries on loans previously charged off and \$364,248.62 represents other income. Operating expenses aggregating \$17,867,935.96 include \$2,759,836.81 of home office expenses; charge-offs on bad debts amounting to \$832,579.35 and an addition of \$4,816,370.79 to the valuation reserve combine to make a total expense of \$23,516,886.10 which, deducted from gross income leaves a balance of \$17,311,277.96 representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$3,423,151.74 remains after deducting interest on borrowed funds amounting to \$9,647,956.21 and federal income taxes amounting to \$4,240,170.01.

As of December 31, 1969, the book assets amounted to \$200,911,048.80. The cash in office and in banks amounted to \$2,576,722.77 which includes \$518,579.81 in compensating balances. Home Office assets allocated to Massachusetts Licensees consist of cash of \$5,199,804.42 and other assets of \$9,327,461.30 making a total of \$14,527,265.72. Compensating balances included in the allocation amount to \$3,427,198.54 which when totaled will produce compensating balances of \$3,945,778.35. Total assets as shown in Exhibit B less compensating balances produce assets of \$196,965,270.45.

This department does not consider compensating balances to be assets. They are used here as a deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The maximum interest charges permitted on loans of \$3000.00 or less for licensed small loan lenders is $2\frac{1}{2}\%$ per month on any part of the unpaid principal balance not exceeding \$200; 2% per month on any part of the unpaid principal balance exceeding \$200.00 but not exceeding \$600; $1\frac{3}{4}\%$ per month on that part of the unpaid balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1% per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6% per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000.00 or less for unlicensed lenders is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charge permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over twenty-five thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1969

CHAPTER	AMENDMENT TO:	DESCRIPTION
51	G. L., C. 266, s. 37A	An Act Providing a Penalty for the Manufacture, Sale, Transfer or Purchase of a Forged Credit Card.
168	G. L., C. 140, s. 114A	An Act Making a Corrective Change in the Law Relative to Certain Credit Insurance Charges under the Small Loans Law.
221	G. L., C. 140, s. 105	An Act Repealing the Requirements of a Bond for a Licensee to Engage in the Business of Making Small Loans.
248	G. L., C. 175, s. 193E P. 1 G. L., C. 175, s. 193E P. 2	An Act Providing That No Fee May Be Charged for the Substitution of Insurance Policies on Property Securing a Loan of Money.
378	G. L., C. 225D, s. 13	An Act Relative to Certain Contracts of Retail Installment Sales and Services.
405	G. L., C. 90 new s. 2C	An Act Authorizing Minors to Enter into Legal Contracts in the Matter of the Purchase and Sale of Motor Vehicles, Parts and Accessories Therefor.
421	G. L., C. 221, C180	An Act Providing for the Establishment of Credit Counseling Service Corporations and Providing that such Service Shall Not be Deemed to Constitute the Practice of Law.
423	G. L., C. 184, s. 17B	An Act Further Regulating the Procedure Relative to the Hiring of Attorneys in Certain Mortgage Transactions.
442	G. L., C. 93, s. 44, 45, 46, 47	An Act Regulating the Trade Practices of Credit Bureaus and Subscribers thereto.
469	G. L., C. 140A, C. 255B, C. 255C, C. 255D	An Act Temporarily Suspending Certain Provisions of Law Relative to Disclosure in Consumer Credit Transactions.
517	G. L., new C. 140C, C225B, 255C, 255D Repealed 140A	An Act Revising the Laws Relative to the Disclosure of Consumer Credit Costs and Terms.
690	G. L., C. 93A, s. new 9, 10	An Act Providing Civil Remedies to a Person Injured by Any Act or Practice Declared Unfair or Deceptive by the Consumer Protection Act.

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| 788 | G. L., 255D, s. 27
new subsection F | An Act Providing that No Finance Charge May Be Assessed or Collected from Buyers on Revolving Credit Agreements Until Nine Days After a Statement of Account has been Mailed or Delivered to the Buyer. |
| 789 | G. L., C. 93, s. 24A, 240 | An Act Relative to Reimbursement to the Commonwealth of the Cost of the Supervision of Collection Agencies by the Commissioner of Banks and Increasing License Fees. |
| 790 | G. L., C. 140, s. 97, 102 | An Act Relative to Reimbursement to the Commonwealth of the Cost of the Supervision of Small Loan Companies by the Commissioner of Banks and Increasing License Fees. |
| 792 | G. L. C. 255B, s. 2, 3 | An Act Relative to Reimbursement to the Commonwealth of the Cost of the Supervision of Motor Vehicle Sales Finance Companies by the Commissioner of Banks and Increasing License Fees. |
| 793 | G. L., C. 255C, s. 3, 6, 11 | An Act Relative to Reimbursement to the Commonwealth of the Cost of the Supervision of Insurance Premium Finance Agencies by the Commissioner of Banks and Establishing License Fees. |
| 794 | G. L., C. 255D, s. 2, 3 | An Act Relative to Reimbursement to the Commonwealth of the Cost of the Supervision of Retail Instalment Sales and Service Finance Companies by the Commissioner of Banks and Increasing License Fees. |
| 814 | G. L., C. 93A, s. 1, 3, 4,
5, 6, 7, 8 | An Act Amending the Consumer Protection Act and Providing Restitution to a Consumer Who has Suffered Loss Due to a Deceptive Act or Practice. |
| 832 | G. L., C. 266, s. 37A
new 37B and 37C | An Act Providing Certain Criminal Penalties for the Misuse of Credit Cards |

REGULATIONS

There are described below regulations of the Commissioner of Banks promulgated during the calendar year 1969.

May 19, 1969;	Relative to the Conduct of the Business of Collection Agencies.
July 17, 1969;	Relative to Consumer Credit Cost Disclosure. (Emergency Regulations)
July 17, 1969;	Relative to the Business of the Retail Installment Sales of Motor Vehicles. (Emergency Regulations)
July 17, 1969;	Relative to Insurance Premium Finance Agencies. (Emergency Regulations)
July 17, 1969;	Relative to the Business of Retail Installment Sales and Services. (Emergency Regulations)
October 15, 1969;	Relative to Consumer Credit Cost Disclosure.
October 15, 1969;	Relative to the Business of the Retail Installment Sales of Motor Vehicles.
October 15, 1969;	Relative to Insurance Premium Finance Agencies.
October 15, 1969;	Relative to the Business of Retail Installment Sales and Services.

The Commonwealth of Massachusetts
ANNUAL REPORT OF THE COMMISSIONER OF BANKS
FOR THE YEAR ENDED DECEMBER 31, 1969
 (General Laws, Chapter 140, Section 98)

EXHIBIT B**COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1969**

(Loan Business of \$3,000 or Less)

LICENSED AGENCIES
341

Receivables:

(a) Gross Amount		\$228,239,959.22
(b) Less: Unearned Charges		41,612,464.31
(c) Less: Allowance for Bad Debts		5,750,120.61
(d) Net Receivables		\$180,877,374.30
Cash in Office and in Banks		2,576,722.77
Real Estate (Less Allowance for Depreciation-Buildings)		234,383.25
Furniture, Fixtures and Equipment (Less Allowance for Depreciation		1,077,708.34
Deferred Charges or Prepaid Expense		420,514.94
Other Assets: (Itemize)		
(a) Organization and Development Expense	\$ 13,117.79	
(b) Cost of Financing	347.30	
(c) Investments	344,898.97	
(d) Miscellaneous Notes and Accounts Receivable	596,693.81	
(e) Miscellaneous	242,021.61	1,197,079.48
Total Assets		\$186,383,783.08
Home Office Assets Allocated to Massachusetts Licensees		
		14,527,265.72
Total		\$200,911,048.80
Compensating Balances Included in Cash		
		\$ 518,579.81
Compensating Balances Included in Home Office Assets		
Allocated to Massachusetts Licensees		3,427,198.54
Total Compensating Balances Included in Assets		\$ 3,945,778.35

EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 1969
(Loan Business of \$3,000 or Less)

<i>Gross Income</i>		
Charges Collected and/or Earned		\$ 38,781,794.19
Delinquency Charges Collected		1,321,239.22
Collection on Accounts Previously Charged Off		360,882.03
Other Income:		
(a) Gain on Sale of Assets	\$ 9,559.36	
(b) Income from Investments	343,319.81	
(c) Miscellaneous	11,369.45	364,248.62
Total Gross Income		\$ 40,828,164.06
<i>Expenses of Conducting Business</i>		
Advertising		\$ 1,163,099.07
Auditing		80,322.78
Bad Debts:		
(a) Charged Off	\$ 832,579.35	
(b) Addition to Reserve	4,816,370.79	5,648,950.14
Depreciation of Furniture, Fixtures and Equipment		228,766.47
Recording and Acknowledging Fees		5,152.33
Insurance and Fidelity Bonds		77,279.02
Legal Fees and Disbursements		365,319.73
Postage and Express		291,737.01
Printing, Stationery and Supplies		228,856.35
Rent		1,336,307.75
Salaries		7,480,768.44
Supervision and Administration		504,280.59
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	\$ 342,981.11	
(b) License Fees	119,191.70	
(c) All Other Taxes	641,421.22	1,103,594.03
Telephone and Telegraph		869,295.47
Travel		300,625.20
Other Expenses of Conducting Business		1,072,694.91
Total		\$ 20,757,049.29
Total Home Office Expenses		2,759,836.81
Cost of Borrowed Funds		9,647,956.21
Total Expenses		\$ 33,164,842.31
Net Earnings Before Federal Income Taxes		\$ 7,663,321.75
Federal Income Taxes		\$ 4,240,170.01
Total Expenses After Income Taxes		\$ 37,405,012.32
Net Earnings After Income Taxes and Interest on Borrowed Funds		\$ 3,423,151.74

EXHIBIT D

ANALYSIS OF LOANS BY SIZE

(Loans of \$3,000 or Less)

	Number	Amount
Total Loan Balances Outstanding (Less Unearned Charges)		
at Beginning of Period	269,820	\$183,126,883.88
(a) Loans of \$ 100.00 or Less	3,838	257,045.92
(b) Loans of \$ 100.01 to \$ 200.00	17,337	2,482,465.69
(c) Loans of \$ 200.01 to \$ 300.00	20,385	4,969,154.74
(d) Loans of \$ 300.01 to \$ 400.00	22,788	7,744,908.40
(e) Loans of \$ 400.01 to \$ 500.00	19,643	8,738,208.27
(f) Loans of \$ 500.01 to \$ 600.00	21,012	11,403,249.71
(g) Loans of \$ 600.01 to \$1,000.00	50,475	39,140,687.75
(h) Loans of \$1,000.01 to \$1,500.00	37,605	45,735,947.87
(i) Loans of \$1,501.00 to \$3,000.00	33,008	68,688,838.55
Total Loans Made During the Period	226,091	\$189,160,506.90
Loan Balances Purchased During the Period	10,564	6,219,999.18
Loan Balances Sold During the Period	7,461	4,784,771.45
Loan Balances Charged Off During the Period	11,072	5,556,008.05
Collections During the Period		181,539,115.55
Total Loan Balances Outstanding (Less Unearned Charges)		
at the End of the Period	258,749	\$186,627,494.91

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY

(Loans of \$3,000 or Less)

	Number	Amount
Loans Made During the Period Based in Whole or in Large Part on:		
(a) Chattel Mortgages on Household Goods	97,287	\$107,585,600.56
(b) Automobiles	15,059	15,885,467.45
(c) Real Estate	176	231,382.74
(d) Other Chattels	5,608	6,008,939.21
(e) Unsecured Notes	99,310	52,626,007.04
(f) Endorsed and/or Co-Maker Notes	6,900	4,646,060.42
(g) Wage Assignments	24	16,264.72
(h) Other Considerations	1,727	2,160,784.76
Total	226,091	\$189,160,506.90

EXHIBIT H

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1969

(Total Loan and Finance Business)

ASSETS

Receivables:		
(a) Gross Amount		\$255,385,447.19
(b) Less: Unearned Charges		44,198,527.63
(c) Less: Allowance for Bad Debts		6,475,450.73
(d) Net Receivables		\$204,711,468.83
Cash in Office and in Banks		3,609,682.07
Real Estate (Less Allowance for Depreciation-Buildings)		1,198,561.34
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)		1,231,811.63
Deferred Charges or Prepaid Expenses		531,618.93
Other Assets:		
(a) Organization or Development Expense	\$ 16,897.19	
(b) Cost of Financing	355.80	
(c) Investments	812,179.87	
(d) Miscellaneous Notes and Accounts Receivable	1,029,327.43	
(e) Miscellaneous	286,487.81	2,145,248.10
Total Assets		\$213,428,390.90
Home Office Assets Allocated to Massachusetts Licensees		15,770,526.84
Total		\$229,198,917.74

LIABILITIES AND CAPITAL

Accounts and Notes Payable:		
(a) Banks	\$ 31,013,676.92	
(b) Due to Parent Company or Affiliate	46,993,051.79	
(c) Other Short Term Notes and Accounts	3,736,862.43	81,743,591.14
Bonds		2,544,882.37
Long Term Notes		3,400,774.33
Investment Certificates		1,786,013.34
Other Liabilities:		
(a) Accrued Expense	\$ 575,453.40	
(b) Other Expense Reserves	1,179,998.05	1,755,451.45
Branch Office Capital		91,960,245.76
Net Worth (If Individual or Partnership)		176,784.28
Capital Stock (If Corporation):		
(a) Preferred	\$ 2,173,692.65	
(b) Common	8,939,867.85	11,113,560.50
Paid In Surplus		8,648,599.67
Appropriate Surplus or Capital Reserve		537,338.57
Retained Earnings		9,761,149.49
Total Liabilities and Capital		\$213,428,390.90
Compensating Balances Included in Cash	\$ 944,353.26	
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees		3,765,368.10
Total Compensating Balances Included in Assets		\$ 4,709,721.36

EXHIBIT I

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1969

(Total Loans and Finance Business)

GROSS INCOME		
Charges Collected and/or Earned		\$ 42,399,684.83
Delinquency Charges Collected		1,399,766.32
Collections on Accounts Previously Charged Off		404,404.34
Other Income:		
(a) Gain on Sale of Assets	\$ 31,882.99	
(b) Income from Investments	516,907.36	
(c) Miscellaneous	94,469.13	643,259.48
Total Gross Income		\$ 44,847,114.97
EXPENSES OF CONDUCTING BUSINESS		
Advertising		\$ 1,230,829.55
Auditing		116,764.12
Bad Debts:		
(a) Charged Off	\$ 854,739.56	
(b) Addition to Reserve	\$ 5,473,551.81	6,328,291.37
Depreciation of Furniture, Fixtures and Equipment		277,673.81
Recording and Acknowledging Fees		10,087.66
Insurance and Fidelity Bonds		111,080.64
Legal Fees and Disbursements		423,812.22
Postage and Express		331,304.30
Printing, Stationery and Supplies		267,451.00
Rent		1,509,510.86
Salaries		8,592,035.58
Supervision and Administration		574,777.10
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	\$ 397,989.32	
(b) License Fees	164,121.00	
(c) All Other Taxes	754,248.20	1,316,358.52
Telephone and Telegraph		\$ 977,339.37
Travel		352,511.62
Other Expenses of Conducting Business		1,327,489.09
Total		\$ 23,747,316.81
Total Home Office Expenses		2,985,392.77
Cost of Borrowed Funds		10,821,230.24
Total Expenses		\$ 37,553,939.82
Net Earnings Before Federal Income Taxes		\$ 7,293,175.15
Federal Income Taxes		\$ 4,483,059.87
Total Expenses After Income Taxes		\$ 42,036,999.69
Net Earnings After Income Taxes and Interest on Borrowed Funds		\$ 2,810,115.28

EXHIBIT J**LICENSED SMALL LOAN AGENCIES**

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of June 1, 1970.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
303	Associates Financial Services Co. of Mass., Inc.	620 Centre St., Jamaica Plain
53	Beatty, Charles S., Company	7 Water Street
63	Belmont Finance Company	453 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	80 Boylston Street
117	Beneficial Finance Co.	5 Bromfield Street
239	Beneficial Finance Co.	8 Winter Street
66	Beneficial Finance Co.	570 Columbia Rd., Dorchester
231	Beneficial Finance Co.	1257 River St., Hyde Park
204	Beneficial Finance Co.	4640 Washington St., Roslindale
235	Beneficial Finance Co.	105 Dorchester St., So. Boston
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plan Incorporated	150 Tremont Street
93	Dial Finance Company of Boston, Inc.	15 School Street
217	Dial Finance Company of Boston No. 2, Inc.	38 Chauncy Street
186	Dial Finance Company of Boston No. 1, Inc.	31 St. James Ave.
92	Family Loan Corporation of Massachusetts	41 Winter Street
149	Family Loan Corporation of Brighton	359 Washington St., Brighton
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dorchester
192	Firemen's Finance Company, Inc.	25 Huntington Avenue
278	Friendly Loan Corporation	21 Porter St., East Boston
356	G.A.C. Finance Corporation of Boston	373 Washington Street
360	Globe Finance Company, Inc.	677 Beacon Street
16	Household Finance Corporation	80 Boylston Street
49	Household Finance Corporation	175 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
223	Household Finance Corporation	47 Winter Street
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
280	Kane Finance Company	225 Franklin Street
176	Local Finance Company	128a Tremont Street
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nestor-Hall Company	7 Water Street
354	Postal Finance Company, Inc.	262 Washington Street
374	Postal Finance Company of Boston, Inc.	58 Winter Street
111	Public Finance Company	145 Tremont Street
200	Public Finance Company	31 St. James Avenue
216	Public Finance Company	333 Washington Street
306	Public Finance Company	501 Washington Street
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian St., E. Boston
184	Public Finance Company	1232 River Street, Hyde Park
218	Public Finance Company	4252 Washington St., Roslindale
145	State Loan Co.	619 Washington Street
347	Sumner Finance Company	262 Washington Street
319	Universal C.I.T. Credit Company	176 Mt. Vernon St., Dorchester

AGAWAM

341	Universal C.I.T. Credit Company	324 Walnut Street
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AMESBURY

345	G.A.C. Finance Corporation of Amesbury	41 Main Street
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
ANDOVER		
98	Andover Finance Company	Musgrove Bldg., Elm Square
ARLINGTON		
326	American Finance Corporation of Middlesex County	457 Massachusetts Avenue
297	Universal C.I.T. Credit Company	11 Mystic Street
ATHOL		
162	Public Finance Company	516 Main Street
ATTLEBORO		
48	Beneficial Finance Co.	7 Park Street
252	Blackstone Finance, Inc. of Attleboro	25 Bank Street
130	Public Finance Company	39 Park Street
BEVERLY		
58	American Finance Corporation of Lynn	269 Cabot Street
214	Associates Financial Services Co. of Mass., Inc.	263 Cabot Street
181	Beneficial Finance Co.	236 Cabot Street
BRAINTREE		
240	Credithrift of America Inc., No. 2	250 Granite Street
BROCKTON		
133	Beneficial Finance Co.	190 Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
253	Dial Finance Company of Brockton, Inc.	726 Crescent Street
353	G.A.C. Finance Corporation, Inc.	Store 31B, W'gate Shopping Ctr.
194	Household Finance Corporation	136 Main Street
299	Liberty Loan Company of Brockton	231 Main Street
87	Local Finance Company of Brockton	95 Main Street
104	Public Finance Company	139 Main Street
289	Seaboard Finance Company	250 Main Street
190	Signal Finance Company of Brockton	57 Legion Parkway
350	Universal C.I.T. Credit Company	286 No. Main Street
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard Street
47	G.A.C. Finance Corporation, Inc.	1300 Beacon Street
141	Household Finance Corporation	1330 Beacon Street
BURLINGTON		
222	Dial Finance Company of Burlington, Mass., Inc.	226 Cambridge Street
CAMBRIDGE		
71	Beneficial Finance Co.	519 Massachusetts Ave.
134	Beneficial Finance Co.	622 Massachusetts Ave.
64	Household Finance Corporation	678 Massachusetts Ave.
80	Household Finance Corporation of Cambridge	27 White Street
296	Liberty Loan Company of Cambridge	765 Massachusetts Ave.
36	Postal Finance Company of Cambridge, Inc.	552 Massachusetts Ave.
159	Public Finance Company	495 Massachusetts Ave.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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CHELSEA

195	Beneficial Finance Co.	279 Broadway
309	Public Finance Company	438 Broadway

CHICOPEE

234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corporation of Chicopee	10 Center Street

CLINTON

106	Associates Financial Services Co. of Mass., Inc.	70 High Street
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DEDHAM

357	Signal Finance Company of Dedham	515 Providence Highway
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EASTHAMPTON

3	Local Finance Company of Easthampton	62 Main Street
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EVERETT

197	Beneficial Finance Co.	449a Broadway
51	Everett Loan Co., Inc.	427a Broadway
310	Public Finance Company	164 School Street

FAIRHAVEN

351	Universal C.I.T. Credit Company	102 Huttleston Avenue
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FALL RIVER

28	Beneficial Finance Co.	33 Bedford Street
166	Cascade Finance Company	100 Purchase Street
165	Commercial Credit Plan Incorporated	435 Columbia Street
10	Dial Finance Company of Fall River, Inc.	259 So. Main Street
18	G.A.C. Finance Corporation of Fall River	1467 So. Main Street
27	Household Finance Corporation	13 Borden Street
12	Liberty Loan and Realty Co., Inc.	204 Thomas Street
209	Local Finance Company of Fall River	17 No. Main Street
379	Pacific Finance Loans	314 So. Main Street
37	Public Finance Company	114 So. Main Street
39	Signal Finance Company of Fall River	304 So. Main Street
367	Stanley Company, Inc., The	64 No. Main Street

FALMOUTH

288	Beneficial Finance Co.	181 Main Street
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FITCHBURG

375	Associates Financial Services Co. of Mass., Inc.	765 Main Street
32	Beneficial Finance Co.	347 Main Street
52	Household Finance Corporation	457 Main Street
380	Pacific Finance Loans	558 Main Street
273	Public Finance Company	516 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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FRAMINGHAM

173	Beneficial Finance Co.	106 Concord Street
178	General Finance Corporation of Framingham	129A Concord Street
260	Household Finance Corporation of Framingham	36 Concord Street
254	Local Finance Company of Framingham	32 Union Avenue
95	Public Finance Company	18 Union Avenue

GARDNER

232	Beneficial Finance Co.	49 Parker Street
161	Public Finance Company	11 Pleasant Street

GLOUCESTER

59	Public Finance Company	82 Main Street
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GREAT BARRINGTON

21	Pioneer Credit Corporation	337 Main Street
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GREENFIELD

146	Beneficial Finance Co.	239 Main Street
153	Guaranty Loan Co. of Greenfield	209 Main Street
283	Household Finance Corporation of Greenfield	158 Main Street

HAVERHILL

233	American Finance Corporation of Watertown	21 Washington Square
105	Beneficial Finance Co.	143 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corporation of Haverhill	91 Merrimack Street
120	Public Finance Company	181 Merrimack Street

HOLYOKE

40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Company of Holyoke, Inc.	320 High Street
245	Household Finance Corporation of Holyoke	353 High Street
175	Public Finance Company	348 High Street
291	Signal Finance Company of Holyoke	392 High Street

HYANNIS

76	Beneficial Finance Co.	436 Main Street
226	Commercial Credit Plan, Incorporated	509 Main Street
284	Household Finance Corporation of Hyannis	396 Main Street
338	Local Finance Company of Hyannis	29 North Street

LAWRENCE

370	American Finance Corporation of Middlesex County	204 Essex Street
147	Beneficial Finance Co.	27 Amesbury Street
227	Community Finance, Inc. of Lawrence	125 Amesbury Street
262	Household Finance Corporation of Lawrence	380 Essex Street
30	Local Loan & Finance Co., Inc.	79 Common Street
114	Public Finance Company	15 Lawrence Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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LEOMINSTER

83	Associates Financial Services Co. of Mass., Inc.	44 Main Street
148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corporation	10 Monument Square

LOWELL

101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	76 Merrimack Street
179	Beneficial Finance Co.	97 Central Street
279	Central Finance Service, Inc.	19 Palmer Street
322	Commercial Credit Plan Incorporated	176 Church Street
313	Fidelity Consumer Finance Corporation	40 Central Street
312	G.A.C. Finance Corporation of Lowell	813 Lakeview Avenue
172	Household Finance Corporation	100 Merrimack Street
369	Kels Investment Corporation	331 Westford Street
301	Liberty Loan Company of Lowell	58 Central Street
317	Lowell Finance Company, Inc.	217 Appleton Street
269	Merrimack Valley Finance Co., Inc.	1 Merrimack Street
14	Public Finance Company	2 Kearney Square

LYNN

387	Aetna Finance Company, Inc.	30 Market Street
314	American Finance Corporation of Lynn	26 State Street
122	Beneficial Finance Co.	22 Market Street
371	Dial Finance Company of Lynn, Inc.	116 Market Street
365	Homemakers Loan & Consumer Discount Company	319 Lynnway
154	Household Finance Corporation	341 Union Street
295	Liberty Loan Company	171A Union Street
19	Public Finance Company	29 Central Square
229	Seaboard Finance Company of Lynn, Inc.	56 Central Square
41	United Insurance Finance Corporation	14 Central Avenue
352	Universal C.I.T. Credit Company	21 State Street

MALDEN

388	Aetna Finance Company, Inc.	366 Main Street
103	Beneficial Finance Co.	150 Pleasant Street
107	Beneficial Finance Co.	444 Pleasant Street
323	Commercial Credit Plan Incorporated	33 Dartmouth Street
321	Dial Finance Company of Malden, Inc.	3 Pleasant Street
6	Household Finance Corporation	60 Pleasant Street
152	National Finance Company, Inc.	50 Pleasant Street
72	Public Finance Company	15 Pleasant Street
227	State Loan Co., Inc.	482 Main Street

MANSFIELD

62	The Mansfield Finance Company, Inc.	5 Old Colony Road
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MARLBOROUGH

65	Beneficial Finance Co.	214 Main Street
171	Marlboro Finance Corp.	217 Main Street
109	Parker Acceptance Corporation	132 Main Street

MEDFORD

199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Company	24 Riverside Avenue
24	Public Finance Company	24 Riverside Avenue

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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MIDDLEBOROUGH

250	Beneficial Finance Co.	6 So. Main Street
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MILFORD

207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	230 Main Street
373	Ideal Finance, Inc.	197 Main Street
255	Local Finance Company of Milford	179 Main Street
110	Milford Finance Corporation	182 Main Street

NATICK

385	Pacific Finance Loans	11a West Central Street
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NEW BEDFORD

44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
336	Bristol Acceptance Trust, Inc.	292 Union Street
46	Community Plan Incorporated	558 Pleasant Street
193	Credithrift of America, Inc. No. 2	634 Pleasant Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 River Street
90	Public Finance Company	915 Purchase Street
100	Seaboard Finance Company	71 William Street
7	Wamsutta Finance Co., Inc.	222 Union Street

NEWBURYPORT

150	Beneficial Finance Co.	80 State Street
9	G.A.C. Finance Corp. of Newburyport	19 Green Street

NEWTON

25	Avco Financial Services, Inc. No. 200	995 Watertown St., W. Newton
201	Beneficial Finance Co.	325 Walnut St., Newtonville
348	Brainerd Finance Company	1279 Washington St., W. Newton

NORTH ADAMS

151	Beneficial Finance Co.	59 Main Street
307	Liberty Loan Company of Adams	14 Ashland Street
378	Pacific Finance Loans	85 Main Street

NORTH ATTLEBOROUGH

54	Public Finance Company	11 So. Washington Street
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NORTHAMPTON

264	Household Finance Corp. of Northampton	70 Main Street
35	Local Finance Company of Northampton	159 Main Street
381	Pacific Finance Loans	142 Main Street

NORWOOD

196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corp. of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street

PALMER

274	Guaranty Loan Co. of Palmer	366 Main Street
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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PEABODY

144	Household Finance Corporation of Peabody	No. Shore Shopping Center
256	Local Finance Company of Peabody	70 Main Street

PITTSFIELD

88	Beneficial Finance Co.	361 North Street
4	Budget Finance Plan	278 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
366	Greylock Finance, Inc.	631 North Street
265	Household Finance Corporation of Pittsfield	86 North Street
383	Pacific Finance Loans	23 North Street
286	Pioneer Credit Corporation	415 North Street
170	Public Finance Company	313 North Street
206	Universal C.I.T. Credit Company	346 North Street

PLYMOUTH

203	Beneficial Finance Co.	25 Main Street
333	Local Finance Company of Plymouth	20 Court Street

QUINCY

248	American Finance Corporation of Quincy	1620 Hancock Street
136	Beneficial Finance Co.	113 Parkingway
75	Family Loan Corporation of Quincy	10 Chestnut Street
363	Homemakers Loan & Consumer Discount Company	1073 Hancock Street
180	Household Finance Corporation	148 Parkingway
304	Local Finance Company of Quincy	1388 Hancock Street
116	Public Finance Company	1468 Hancock Street
243	Seaboard Finance Company	1466 Hancock Street
169	Signal Finance Company of Quincy	1426 Hancock Street—

RANDOLPH

340	Dial Finance Company of Randolph, Inc.	322 Main Street
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READING

97	G.A.C. Finance Corporation of Wakefield	580 Main Street
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REVERE

246	Paul Revere Loan Association, Inc.	206 Broadway
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ROCKLAND

257	Local Finance Company of Rockland	257 Union Street
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SALEM

189	American Finance Corp. of Quincy	16 New Derby Street
137	Beneficial Finance Co.	116 Washington Street
183	Household Finance Corporation	75 Washington Street
271	Public Finance Company	211 Essex Street
56	State Loan Co., Inc.	6 Lynde Street

SAUGUS

198	Household Finance Corporation of Saugus	1307 Broadway
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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SHREWSBURY

23	Public Finance Company	384-C Maple Avenue
349	Universal C.I.T. Credit Company	50 Boston Turnpike

SOMERSET

225	Local Finance Company of Somerset	933 County Street
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SOMERVILLE

33	Beneficial Finance Co.	263 Elm Street
96	Family Loan Corporation of Somerville	415 Highland Avenue
177	Household Finance Corporation	249 Elm Street
329	People's Finance Company of Boston, Inc.	59 Union Square
272	Public Finance Company	409A Highland Avenue
211	State Loan Co. of Somerville	55 Davis Square

SOUTHBIDGE

191	Morrison Finance Corporation	1 Elm Street
187	Public Finance Company	312 Main Street

SPRINGFIELD

210	American Finance Corp. of Watertown	1228 Main Street
91	Associates Financial Services Co. of Mass., Inc.	620 State Street
50	Beneficial Finance Co.	526 Sumner Avenue
73	Beneficial Finance Co.	1618 Main Street
167	Commercial Credit Plan Incorporated	297 Bridge Street
102	Credithrift of America, Inc. No. 2	43 Pearl Street
142	Dial Finance Company of Springfield, Mass. No. 1 Inc.	1570 Main Street
220	Dial Finance Company of Springfield, Mass., Inc.	1173 Main Street
293	G.A.C. Finance Corporation, Inc.	1355 Liberty Street
364	Homemakers Loan & Consumer Discount Co.	622 State Street
139	Household Finance Corporation	1431 Main Street
125	Ideal Budget Plan, Inc.	1421 Main Street
86	Liberty Loan Company of Springfield	145 State Street
386	Pacific Finance Loans	390 Dickinson Street
377	Pacific Finance Loans	1211 Boston Road
163	Public Finance Company	1567 Main Street
276	Seaboard Finance Company	1645 Main Street
212	Signal Finance Company of Springfield	653 Boston Road

STONEHAM

266	Household Finance Corporation of Stoneham	83 Main Street
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STOUGHTON

308	Local Finance Company of Stoughton	54 Porter Street
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TAUNTON

81	Beneficial Finance Co.	75 Main Street
268	Blackstone Finance, Inc. of Taunton	6 Trescott Street
70	Liberty Loan Company of Taunton	4 Cedar Street
258	Local Finance Company of Taunton	3 Main Street
67	Taunton Loan Co.	28 Broadway

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WAKEFIELD

237	Beneficial Finance Co.	407 Main Street
376	Ford Motor Credit Company	43 Tuttle Street

WALPOLE

156	Dial Finance Company of Walpole, Inc.	940 Main Street
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WALTHAM

389	Aetna Finance Company, Inc.	877 Main Street
135	Beneficial Finance Co.	355 Moody Street
79	Household Finance Corporation	333 Moody Street
302	Liberty Loan Company of Waltham	6 Cushing Street
123	Public Finance Company	389 Moody Street
244	Seaboard Finance Company	24 Crescent Street

WARE

17	Guaranty Loan Co. of Ware	5 Bank Street
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WAREHAM

368	Wilson Finance Corporation	Store #4, Shoppers' Plaza
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WATERTOWN

334	American Finance Corporation of Watertown	34 Mt. Auburn Street
20	Associates Financial Services Co. of Mass., Inc.	8 Bigelow Avenue
138	Dial Finance Company of Watertown of Watertown, Inc.	2A Mt. Auburn Street

WEBSTER

164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	127 Main Street

WESTFIELD

112	Beneficial Finance Co.	26 Main Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street

WEYMOUTH

372	Commercial Credit Plan Incorporated	809 Wash. St., E. Weymouth
127	Household Finance Corporation of Weymouth	116 Main Street

WHITINSVILLE

315	Dial Finance Company of Whitinsville, Inc.	185 Church Street
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WILBRAHAM

78	Associates Financial Services Co. of Mass., Inc.	6 Stoneyhill Road
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WINTHROP

342	Highland Enterprises, Inc.	196 Hagman Road
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WOBURN

128	American Finance Corporation of Middlesex County	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance Company of Woburn	341 Main Street

WORCESTER

124	Associates Financial Services Co. of Mass., Inc.	9 Walnut Street
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	2 Foster Street
270	Beneficial Finance Co.	1086 Main Street
174	Budget Finance Plan	421 Main Street
331	City Finance, Inc.	289 Main Street
94	Commercial Credit Plan Incorporated	945 Grafton Street
327	Consumers Financing Services, Inc.	8 Norwich Street
126	Dial Finance Company of Worcester, Inc.	544 Main Street
31	G.A.C. Finance Corporation, Inc.	500 Park Avenue
337	G.A.C. Finance Corporation of Worcester	74 Franklin Street
131	Household Finance Corporation	545G Lincoln Street
224	Household Finance Corporation	390 Main Street
316	Household Finance Corporation of Worcester	1073 Main Street
34	Italian Finance Company of Worcester	157 Shrewsbury Street
251	Liberty Loan Company of Massachusetts	405 Main Street
382	Pacific Finance Loans	34 Mechanic Street
384	Pacific Finance Loans	46 Myrtle Street
99	Parker Acceptance Corporation	283 Main Street
359	Parker Acceptance Corp. d/b/a O'Coin's Credit	239A Mill Street
13	Public Finance Company	390 Main Street
69	Public Finance Company	507 Main Street
68	Seaboard Finance Company	285 Park Avenue
213	Signal Finance Company of Worcester	496 Park Avenue

The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES

MASS.
DOCS.
COLL.



FRANCIS W. SARGENT
Governor

ANNUAL REPORT

OF THE
COMMISSIONER OF BANKS
FOR THE

YEAR ENDING DECEMBER 31, 1970

RELATING TO
LICENSED SMALL LOAN LENDERS

The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS

Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

October 21, 1971

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF
MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1970.

Respectfully,

FREYDA P. KOPLOW
Commissioner of Banks

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EXHIBIT D.	Analysis of Loans by Size (Loans of \$3,000 or Less).
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EXHIBIT I.	Consolidated Statement of Income and Expense (Total Loan and Finance Business).
EXHIBIT J.	List of Licensed Small Loan Agencies.

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing - as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1970, there were three hundred and twenty-five small loan licenses outstanding.

During the calendar year, 1970, 203,730 loans of \$3,000 or less amounting to \$182,453,641.71 which is less unearned charges, were made. These figures represent a decrease of 22,361 in the number of loans made and a decrease of \$6,706,865.19 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$895.57 as compared to \$833.67 for the calendar year 1969.

On December 31, 1970, there were 245,870 regulated loans of \$3,000 or less outstanding with a face value of \$228,506,589.14 which includes unearned charges amounting to \$40,942,219.90. These figures represent a decrease of 12,879 in the number and an increase of \$936,874.33 in the amount of net loans outstanding since the beginning of the calendar year.

The average net loan outstanding on December 31, 1970 was \$726.86 as compared with \$721.27 on December 31, 1969.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$5,100,146.62.

Gross income for the period totaled \$40,914,730.30 of which \$331,808.58 represents recoveries on loans previously charged off and \$215,746.75 represents other income. Operating expenses aggregating \$17,768,703.27 include \$2,873,469.55 of home office expenses; charge-offs on bad debts amounting to \$947,702.66 and an addition of \$3,800,574.90 to the valuation reserve combine to make a total expense of \$22,516,980.83 which, deducted from gross income, leaves a balance of \$18,397,749.47 representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$3,774,500.46 remains after deducting interest on borrowed funds amounting to \$11,083,325.06 and federal income taxes amounting to \$3,539,923.95.

As of December 31, 1970, the book assets amounted to \$205,516,660.79. The cash in office and in banks amounted to \$2,586,285.91 which includes \$317,271.21 in compensating balances. Home Office assets allocated to Massachusetts Licensees consist of cash of \$5,573,462.82 and other assets of \$9,730,445.23 making a total of \$15,303,908.05. Compensating balances included in the allocation amount to \$4,375,457.52 which when totaled will produce compensating balances of \$4,692,728.73. Total assets as shown in Exhibit B less compensating balances produce assets of \$200,823,932.06.

This department does not consider compensating balances to be assets. They are used here as a deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The maximum interest charges permitted on loans of \$3,000.00 or less for licensed small loan lenders is $2\frac{1}{2}$ percent per month on any part of the unpaid principal balance not exceeding \$200; 2 percent per month on any part of the unpaid principal balance exceeding \$200.00 but not exceeding \$600; $1\frac{3}{4}$ percent per month on that part of the unpaid balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1 percent per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6 percent per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000.00 or less for unlicensed lenders is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charge permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over twenty-five thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time of the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1970

CHAPTER	AMENDMENT TO:	DESCRIPTION
91	G.L.C. 255D, s. 1	An Act Further Defining Retail Installment Sale Agreement.
96	G.L.C. 255B, s.1	An Act Making Corrective Changes in the Law Relative to the Retail Installment Sales of Motor Vehicles.
163	G.L.C. 255D, s. 9 subsection B	An Act Further Prescribing the Form of Retail Instalment Sale Agreement under the Law Relative to Retail Instalment Sales and Services.
171	G.L.C. 93, s. 14	An Act Placing A Limitation upon the Time Within which Credit Slips may be Redeemed.
187	G.L.C. 255B, s.1	An Act Further Defining the Term "Retail Buyer" or "Buyer" under the Retail Instalment Sales of Motor Vehicle Law.
202	G.L.C. 255D, new s. 25A	An Act Providing That the Holder of a Retail Instalment Sales Agreement Shall Be Subject To All Defenses which the Instalment Buyer May Have Against the Instalment Seller.
215	G.L.C. 4, s. 7 G.L.C. 6, s 12V and 12A	An Act Designating the Second and Fourth Mondays of October as Legal Holidays.
272	G.L.C. 93, new s. 48	An Act Providing a Right of Cancellation for Certain Contracts Consummated at a Place Other Than the Sellers Place of Business.
316	G.L.C. 140, s. 107	An Act Making Certain Provisions of the Small Loan Law Conform to the Uniform Commercial Code.
457	G.L.C. 255, new s. 12F	An Act Subjecting Creditors in Consumer Transactions to the Defenses of the Borrower.

660	G.L.C. 93, s. 48, subsection B	An Act Making A Corrective Change in the Law Providing A right of Cancellation For Certain Contracts Consummated at a Place Other Than the Seller's Place of Business.
665	G.L.C. 255, s. 12E	An Act Further Limiting the Liability of the Owner of a Credit Card or Other Like Credit Service.
736	G.L.C. 93A P. 1 and new P. 5 of S. 9	An Act Making Certain Corrective Changes in the Consumer Protection Law.
794	G.L.C. 93, new s. 46A	An Act Making Credit Bureaus Liable for Gross Negligence in Furnishing Erroneous or Prohibited Information to Certain Persons.
822	G.L.C. 255D, Subsections A, C.D - all of s. 27	An Act Relating to the Imposition of Finance Charges in Certain Revolving Credit Agreements Under the Retail Instalment Sales and Service Law.
824	G.L.C. 184, s. 17B G.L.C. 140C, s.d	An Act Requiring Certain Disclosures in Certain Residential Real Estate Transactions.
826	G.L.C. 271, new s. 49	An Act Reestablishing the Crime of Usury.
883	G.L.C. 93, new s. 28 and s. 49	An Act Prohibiting Certain Collection Practices.

The Commonwealth of Massachusetts

ANNUAL REPORT OF THE COMMISSIONER OF BANKS

FOR THE YEAR ENDED DECEMBER 31, 1970

(General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1970

(Loan Business of \$3,000 or Less)

	<u>Licensed Agencies</u>
	325
<hr/>	
Receivables:	
(a) Gross Amount	\$ 228,506,589.14
(b) Less: Unearned Charges	40,942,219.90
(c) Less: Allowance for Bad Debts	5,849,583.15
(d) Net Receivables	<u>\$ 181,714,786.09</u>
Cash in Office and in Banks	2,586,285.91
Real Estate (Less Allowance for Depreciation-Buildings) ..	
Furniture, Fixtures and Equipment (Less Allowance for Depreciation)	201,018.32
Deferred Charges or Prepaid Expense	1,040,332.32
Other Assets: (Itemize)	332,937.30
(a) Organization and Development Expense	\$ 12,821.69
(b) Cost of Financing	
(c) Investments	3,357,977.02
(d) Miscellaneous Notes and Accounts Receivable ...	788,918.05
(e) Miscellaneous	<u>187,676.04</u>
	<u>4,347,392.80</u>
Total Assets	<u>\$ 190,212,752.74</u>
Home Office Assets Allocated to Massachusetts Licensees	15,303,908.05
Total	<u>\$ 205,516,660.79</u>
Compensating Balances Included in Cash	\$ 317,271.21
Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licensees	<u>4,375,457.52</u>
Total Compensating Balances Included in Assets	<u>\$ 4,692,728.73</u>

EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1970

(Loan Business of \$3,000 or Less)

GROSS INCOME		
Charges Collected and / or Earned		\$ 38,998,255.76
Delinquency Charges Collected		1,368,919.21
Collection on Accounts Previously Charged Off		331,808.58
Other Income:		
(a) Gain on Sale of Assets	\$ 34,903.68	
(b) Income from Investments	103,070.06	
(c) Miscellaneous	77,773.01	215,746.75
Total Gross Income		<u>\$ 40,914,730.30</u>
EXPENSES OF CONDUCTING BUSINESS		
Advertising		\$ 979,901.16
Auditing		114,732.57
Bad Debts:		
(a) Charged Off	\$ 947,702.66	
(b) Addition to Reserve	<u>3,800,574.90</u>	4,748,277.56
Depreciation of Furniture, Fixtures and Equipment		260,926.22
Recording and Acknowledging Fees		3,702.04
Insurance and Fidelity Bonds		89,768.34
Legal Fees and Disbursements		330,837.17
Postage and Express		279,353.35
Printing, Stationery and Supplies		208,141.82
Rent		1,379,049.79
Salaries		7,495,125.62
Supervision and Administration		595,297.45
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	\$ 248,097.35	
(b) License Fees	89,228.08	
(c) All Other Taxes	<u>596,253.06</u>	933,578.49
Telephone and Telegraph		870,021.64
Travel		277,468.75
Other Expenses of Conducting Business		<u>1,077,329.31</u>
Total		\$ 19,643,511.28
Total Home Office Expenses		2,873,469.55
Cost of Borrowed Funds		<u>11,083,325.06</u>
Total Expenses		<u>\$ 33,600,305.89</u>
Net Earnings Before Federal Income Taxes		<u>\$ 7,314,424.41</u>
Federal Income Taxes		<u>\$ 3,539,923.95</u>
Total Expenses After Income Taxes		<u>\$ 37,140,229.84</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u><u>\$ 3,774,500.46</u></u>

EXHIBIT D

ANALYSIS OF LOANS BY SIZE

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Total Loan Balances Outstanding (Less Unearned Charges) at Beginning of Period	258,562	\$186,475,935.46
Loans Made During the Period		
(a) Loans of \$ 100.00 or Less	2,625	177,550.16
(b) Loans of \$ 100.01 to \$200.00	12,953	1,863,951.93
(c) Loans of \$ 200.01 to \$300.00	16,573	4,012,867.00
(d) Loans of \$ 300.01 to \$400.00	19,585	6,630,919.57
(e) Loans of \$ 400.01 to \$500.00	16,587	7,384,850.12
(f) Loans of \$ 500.01 to \$600.00	19,434	10,512,967.19
(g) Loans of \$ 600.01 to \$1,000.00	45,192	35,083,490.45
(h) Loans of \$1,000.01 to \$1,500.00	35,384	42,839,390.20
(i) Loans of \$1,501.00 to \$3,000.00	35,397	73,947,655.09
Total Loans Made During the Period	203,730	\$182,453,641.71
Loan Balances Purchased During the Period	8,920	6,563,760.69
Loan Balances Sold During the Period	5,991	4,835,801.61
Loan Balances Charged Off During the Period	10,229	5,100,146.62
Collections During the Period		177,993,020.39
Total Loan Balances Outstanding (Less Unearned Charges) at the end of the Period	245,870	\$187,564,369.24

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Loans Made During the Period Based in Whole or in Large Part on:		
(a) Chattel Mortgages on Household Goods	90,731	\$105,684,049.43
(b) Automobiles	14,383	16,217,382.93
(c) Real Estate	127	194,620.10
(d) Other Chattels	5,398	5,662,633.63
(e) Unsecured Notes	87,396	50,128,663.52
(f) Endorsed and / or Co-Maker Notes	4,405	3,200,221.57
(g) Wage Assignments	40	37,582.01
(h) Other Considerations	1,250	1,328,488.52
Total	203,730	\$182,453,641.71

EXHIBIT F

ANALYSIS OF LOANS MADE FOR LAST FIVE YEARS

(Loans of \$3,000 or Less)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
Number	276,214	257,202	257,034	226,091	203,730
Amount	\$181,029,088.42	\$183,415,331.21	\$200,322,562.68	\$189,160,506.90	\$182,453,641.71

EXHIBIT G

SUITS, POSSESSION AND SALE OF CHATTELS

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Suits for Recovery:		
(a) Pending at Close of Previous Period	2,754	\$ 1,822,199.28
(b) Instituted During Period	2,325	1,821,367.57
(c) Total	5,079	\$ 3,643,566.85
(d) Judgment Secured During Period	1,200	\$ 897,257.22
(e) Settled Before Judgment During the Period	566	383,915.04
(f) Total	1,766	\$ 1,281,172.26
(g) Pending at Close of Current Period	3,313	\$ 2,362,394.59
Wage Assignments Filed During the Period	40	\$ 23,900.88
Possession of Chattels Obtained by Licensee:		
(a) By Legal Process or Contract Right:		
(1) Household Goods	4	\$ 3,891.92
(2) Automobiles	59	\$ 80,819.83
(3) Other Chattels and Property	9	\$ 9,070.85
(b) By Voluntary Surrender		
(1) Household Goods	17	\$ 14,979.33
(2) Automobiles	88	\$ 129,840.43
(3) Other Chattels and Property	4	\$ 5,749.52

Sales of Chattels by Licensees:

	<u>Number</u>	<u>Amount Due</u>	<u>Amount Collected</u>
(a) With Borrower's Consent	107	\$144,361.87	\$46,209.87
(b) Without Borrower's Consent	32	\$ 35,489.67	\$11,962.66

EXHIBIT H

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1970

(Total Loan and Finance Business)

ASSETS

Receivables:

(a) Gross Amount	\$255,043,845.05
(b) Less: Unearned Charges	43,211,226.84
(c) Less: Allowance for Bad Debts	6,553,522.09
(d) Net Receivables	<u>\$205,279,096.12</u>

Cash in Office and in Banks	3,612,336.47
Real Estate (Less Allowance for Depreciation - Buildings)	1,046,847.60
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)	1,199,125.42
Deferred Charges or Prepaid Expenses	423,779.00

Other Assets:

(a) Organization or Development Expense	\$ 16,641.67	
(b) Cost of Financing		
(c) Investments	3,962,533.74	
(d) Miscellaneous Notes and Accounts Receivable	1,344,046.83	
(e) Miscellaneous	239,151.40	5,562,373.64

Total Assets	<u>\$217,123,558.25</u>
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Home Office Assets Allocated to Massachusetts Licenses	<u>16,399,155.01</u>
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Total	<u>\$233,522,713.26</u>
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LIABILITIES AND CAPITAL

Accounts and Notes Payable:

(a) Banks	\$14,627,221.24	
(b) Due to Parent Company or Affiliate	66,876,734.51	
(c) Other Short Term Notes and Accounts	3,370,960.92	\$ 84,874,916.67

Bonds	2,168,189.87
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Long Term Notes	2,934,016.88
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Investment Certificates	2,094,776.02
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Other Liabilities:

(a) Accrued Expense	\$ 620,529.18	
(b) Other Expense Reserves	1,472,880.69	2,093,409.87

Branch Office Capital	85,523,315.93
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Net Worth (If Individual or Partnership)	183,773.96
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Capital Stock (If Corporation)

(a) Preferred	\$ 2,419,049.67	
(b) Common	9,495,703.11	11,914,752.78

Paid in Surplus	8,775,114.72
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Appropriate Surplus or Capital Reserve	522,463.39
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Retained Earnings	<u>16,038,828.16</u>
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Total Liabilities and Capital	<u>\$217,123,558.25</u>
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Compensating Balances Included in Cash	\$ 451,071.07
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Compensating Balances Included in Home Office Assets Allocated to Massachusetts Licenses	<u>4,752,320.63</u>
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Total Compensating Balances Included in Assets	<u>\$ 5,203,391.70</u>
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EXHIBIT I

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1970

(Total Loans and Finance Business)

GROSS INCOME

Charges Collected and / or Earned		\$42,794,012.40
Delinquency Charges Collected		1,453,820.03
Collections on Accounts Previously Charged Off		364,055.28
Other Income:		
(a) Gain on Sale of Assets	\$ 131,693.69	
(b) Income from Investments	356,285.95	
(c) Miscellaneous	163,821.65	651,801.29
Total Gross Income		<u>\$45,263,689.00</u>

EXPENSES OF CONDUCTING BUSINESS

Advertising		\$ 1,064,168.77
Auditing		159,430.25
Bad Debts:		
(a) Charged Off	\$ 983,748.33	
(b) Addition to Reserve	4,245,578.44	5,229,326.77
Depreciation of Furniture, Fixtures and Equipment		326,202.06
Recording and Acknowledging Fees		6,131.50
Insurance and Fidelity Bonds		125,356.46
Legal Fees and Disbursements		394,078.38
Postage and Express		316,153.39
Printing, Stationery and Supplies		246,027.47
Rent		1,556,819.85
Salaries		8,655,638.07
Supervision and Administration		677,664.40
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	\$ 311,233.49	
(b) License Fees	145,326.01	
(c) All Other Taxes	723,482.75	1,180,042.25
Telephone and Telegraph		983,132.29
Travel		321,372.82
Other Expenses of Conducting Business		<u>1,362,691.26</u>
Total		\$22,604,235.99
Total Home Office Expenses		3,180,708.89
Cost of Borrowed Funds		<u>12,355,392.72</u>
Total Expenses		<u>\$38,140,337.60</u>
Net Earnings Before Federal Income Taxes		<u>\$ 7,123,351.40</u>
Federal Income Taxes		<u>\$ 3,782,630.00</u>
Total Expenses After Income Taxes		<u>\$41,922,967.60</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u><u>\$ 3,340,721.40</u></u>

EXHIBIT J

LICENSED SMALL LOAN AGENCIES

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of September 1, 1971.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
53	Beatty, Charles S. Company	7 Water Street
63	Belmont Finance Company	453 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	80 Boylston Street
117	Beneficial Finance Co.	5 Bromfield Street
239	Beneficial Finance Co.	8 Winter Street
66	Beneficial Finance Co.	570 Columbia Rd., Dorchester
231	Beneficial Finance Co.	1257 River Street, Hyde Park
204	Beneficial Finance Co.	4640 Washington St., Roslindale
235	Beneficial Finance Co.	105 Dorchester St., South Boston
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plan Incorporated	150 Tremont Street
93	Dial Finance Company of Boston	15 School Street
217	Dial Finance Company of Boston No. 2	38 Chauncy Street
186	Dial Finance Company of Boston No. 1	31 St. James Avenue
149	Family Loan Corporation of Brighton	359 Washington St., Brighton
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dorchester
356	G.A.C. Finance Corporation of Boston	373 Washington Street
360	Globe Finance Company, Inc.	677 Beacon Street
16	Household Finance Corporation	80 Boylston Street
49	Household Finance Corporation	175 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nester Hall Company	7 Water Street
354	Postal Finance Company	262 Washington Street
374	Postal Finance Company	58 Winter Street
111	Public Finance Company	145 Tremont Street
200	Public Finance Company	31 St. James Ave.
216	Public Finance Company	333 Washington Street
306	Public Finance Company	145 Tremont Street (temp.)
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian Street, E. Boston
184	Public Finance Company	1232 River Street, Hyde Park
218	Public Finance Company	4252 Washington St., Roslindale
145	State Loan Co.	120 Boylston Street
347	Sumner Finance Company	262 Washington Street

AGAWAM

341	C.I.T. Financial Services, Inc.	324 Walnut Street
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AMHERST

343	Amherst Finance Corporation	100 Triangle Street
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<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
ANDOVER		
98	Andover Finance Company	Musgrove Bldg., Elm Square
ARLINGTON		
326	American Finance Corporation	457 Massachusetts Avenue
297	C.I.T. Financial Services, Inc.	11 Mystic Street
ATHOL		
162	Public Finance Company	516 Main Street
ATTLEBORO		
48	Beneficial Finance Co.	7 Park Street
252	Blackstone Finance, Inc. of Attleboro	25 Bank Street
130	Public Finance Company	39 Park Street
BEVERLY		
58	American Finance Corp'n of Lynn	269 Cabot Street
214	Associates Financial Services Co. of Mass.	263 Cabot Street
181	Beneficial Finance Co.	236 Cabot Street
BRAINTREE		
240	Credithrift of America Inc., No. 2	250 Granite Street
BROCKTON		
289	Avco Financial Services Trust, The	250 Main Street
133	Beneficial Finance Co.	190 Main Street
350	C.I.T. Financial Services, Inc.	286 North Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
253	Dial Finance Company of Brockton	726 Crescent Street
353	G.A.C. Finance Corporation, Inc.	Store 31B, Westgate Shopping Center
194	Household Finance Corporation	136 Main Street
299	Liberty Loan Company of Brockton	231 Main Street
87	Local Finance Company of Brockton	95 Main Street
104	Public Finance Company	139 Main Street
190	Signal Finance Company of Brockton	57 Legion Parkway
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard Street
141	Household Finance Corporation	1330 Beacon Street
BURLINGTON		
222	Dial Finance Company of Burlington, Mass.	226 Cambridge Street
CAMBRIDGE		
71	Beneficial Finance Co.	519 Massachusetts Avenue
64	Household Finance Corporation	678 Massachusetts Avenue
80	Household Finance Corporation	27 White Street
296	Liberty Loan Company of Cambridge	765 Massachusetts Avenue
36	Postal Finance Company	552 Massachusetts Avenue
159	Public Finance Company	495 Massachusetts Avenue

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
CHELSEA		
195	Beneficial Finance Co.	279 Broadway
309	Public Finance Company	438 Broadway
CHICOPEE		
234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corp. of Chicopee	10 Center Street
CLINTON		
106	Associates Financial Services Co. of Mass., Inc.	70 High Street
DEDHAM		
357	Signal Finance Company of Dedham	515 Providence Highway
EASTHAMPTON		
3	Local Finance Company of Easthampton	62 Main Street
EVERETT		
197	Beneficial Finance Co.	449a Broadway
292	Family Loan Corp. of Mass.	427a Broadway
310	Public Finance Company	164 School Street
FAIRHAVEN		
351	C.I.T. Financial Services, Inc.	102 Huttleston Avenue
FALL RIVER		
28	Beneficial Finance Co.	33 Bedford Street
166	Cascade Finance Company	100 Purchase Street
165	Commercial Credit Plan Incorporated	435 Columbia Street
10	Dial Finance Company of Fall River	259 South Main Street
18	G.A.C. Finance Corporation of Fall River	1467 So. Main Street
27	Household Finance Corporation	13 Borden Street
209	Local Finance Company of Fall River	17 No. Main Street
379	Pacific Finance Loans	314 So. Main Street
37	Public Finance Company	114 So. Main Street
39	Signal Finance Company of Fall River	304 So. Main Street
367	Stanley Company, Inc. The	64 No. Main Street
FALMOUTH		
288	Beneficial Finance Co.	181 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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FITCHBURG

375	Associates Financial Services Co. of Mass., Inc.	385 Main Street
32	Beneficial Finance Co.	347 Main Street
52	Household Finance Corporation	457 Main Street
380	Pacific Finance Loans	558 Main Street
273	Public Finance Company	516 Main Street

FRAMINGHAM

173	Beneficial Finance Co.	106 Concord Street
178	General Finance Corp. of Framingham	129A Concord Street
260	Household Finance Corp. of Framingham	36 Concord Street
254	Local Finance Company of Framingham	32 Union Avenue
95	Public Finance Company	18 Union Avenue

GARDNER

232	Beneficial Finance Co.	49 Parker Street
161	Public Finance Company	11 Pleasant Street

GLOUCESTER

59	Public Finance Company	82 Main Street
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GREAT BARRINGTON

21	Pioneer Credit Corporation	337 Main Street
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GREENFIELD

146	Beneficial Finance Co.	275 Main Street
153	Guaranty Loan Co. of Greenfield	209 Main Street
283	Household Finance Corp. of Greenfield	158 Main Street

HAVERHILL

233	American Finance Corp. of Watertown	21 Washington Square
105	Beneficial Finance Co.	143 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corp. of Haverhill	91 Merrimack Street
393	Pacific Finance Loans	234 Water Street
120	Public Finance Company	181 Merrimack Street

HOLYOKE

40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Company of Holyoke	320 High Street
245	Household Finance Corporation of Holyoke	353 High Street
175	Public Finance Company	348 High Street
291	Signal Finance Company of Holyoke	392 High Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
HYANNIS		
76	Beneficial Finance Co.	436 Main Street
226	Commercial Credit Plan, Incorporated	509 Main Street
284	Household Finance Corp. of Hyannis	396 Main Street
338	Local Finance Company of Hyannis	29 North Street
LAWRENCE		
370	American Finance Corp. of Middlesex County	204 Essex Street
147	Beneficial Finance Co.	27 Amesbury Street
277	Community Finance, Inc. of Lawrence	125 Amesbury Street
262	Household Finance Corp. of Lawrence	488 Essex Street
30	Local Loan & Finance Co. Inc.	79 Common Street
114	Public Finance Company	15 Lawrence Street
LEOMINSTER		
83	Associates Financial Services Co. of Mass., Inc.	44 Main Street
148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corp.	10 Monument Square
LOWELL		
101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	11 Central Street
179	Beneficial Finance Co.	97 Central Street
279	Central Finance Service, Inc.	19 Palmer Street
322	Commercial Credit Plan Incorporated	176 Church Street
313	Fidelity Consumer Finance Corp.	40 Central Street
312	G.A.C. Finance Corp. of Lowell	813 Lakeview Ave.
172	Household Finance Corporation	100 Merrimack Street
369	Kels Investment Corporation	331 Westford Street
301	Liberty Loan Company of Lowell	219 Central Street
317	Lowell Finance Company, Inc.	217 Appleton Street
269	Merrimack Valley Finance Co., Inc.	1 Merrimack Street
14	Public Finance Company	2 Kearney Square
LYNN		
390	Aetna Finance Company	30 Market Street
314	American Finance Corp. of Lynn	26 State Street
229	Avco Financial Services of Lynn, Inc.	56 Central Square
122	Beneficial Finance Co.	22 Market Street
352	C.I.T. Financial Services, Inc.	21 State Street
371	Dial Finance Company of Lynn	116 Market Street
365	Homemakers Loan & Consumer Discount Co.	319 Lynnway
154	Household Finance Corporation	341 Union Street
295	Liberty Loan Company	171A Union Street
19	Public Finance Company	29 Central Square
MALDEN		
391	Aetna Finance Company	366 Main Street
103	Beneficial Finance Co.	444 Main Street (temp.)
107	Beneficial Finance Co.	444 Pleasant Street
323	Commercial Credit Plan Incorporated	33 Dartmouth Street
321	Dial Finance Company of Malden	3 Pleasant Street
6	Household Finance Corporation	60 Pleasant Street
72	Public Finance Company	15 Pleasant Street
227	State Loan Co. Inc.	482 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
MANSFIELD		
62	The Mansfield Finance Company, Inc.	5 Old Colony Road
MARLBOROUGH		
65	Beneficial Finance Co.	214 Main Street
292	Family Loan Corporation of Marlborough	132 Main Street
171	Marlboro Finance Corp.	217 Main Street
MEDFORD		
199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Company	24 Riverside Avenue
MIDDLEBOROUGH		
250	Beneficial Finance Co.	6 So. Main Street
MILFORD		
207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	230 Main Street
373	Ideal Finance, Inc.	197 Main Street
255	Local Finance Company of Milford	179 Main Street
110	Milford Finance Corporation	182 Main Street
NATICK		
385	Pacific Finance Loans	11a West Central Street
NEW BEDFORD		
100	Avco Financial Services Trust, The	71 William Street
44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
336	Bristol Acceptance Trust, Inc.	292 Union Street
46	Community Plan Incorporated	558 Pleasant Street
193	Credithrift of America, Inc. No. 2	634 Pleasant Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 Rivet Street
90	Public Finance Company	915 Purchase Street
7	Wamsutta Finance Co. Inc.	222 Union Street
NEWBURYPORT		
150	Beneficial Finance Co.	80 State Street
9	G.A.C. Finance Corporation of Newburyport	19 Green Street
NEWTON		
25	Avco Financial Services, Inc. No. 200	995 Watertown St., West Newton
201	Beneficial Finance Co.	325 Walnut Street, Newtonville
348	Brainerd Finance Company	1279 Washington St., West Newton
NORTH ADAMS		
151	Beneficial Finance Co.	59 Main Street
307	Liberty Loan Company of Adams	14 Ashland Street
378	Pacific Finance Loans	85 Main Street
NORTH ATTLEBOROUGH		
54	Public Finance Company	11 So. Washington Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
NORTHAMPTON		
264	Household Finance Corp. of Northampton	70 Main Street
35	Local Finance Company of Northampton	159 Main Street
381	Pacific Finance Loans	142 Main Street
NORWOOD		
196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corp. of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street
PALMER		
274	Guaranty Loan Co. of Palmer	366 Main Street
PEABODY		
144	Household Finance Corp. of Peabody	North Shore Shopping Center
246	Local Finance Company of Peabody	70 Main Street
PITTSFIELD		
88	Beneficial Finance Co.	361 North Street
4	Budget Finance Plan	278 North Street
206	C.I.T. Financial Services, Inc.	346 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
366	Greylock Finance, Inc.	631 North Street
265	Household Finance Corp. of Pittsfield	86 North Street
383	Pacific Finance Loans	415 North Street
170	Public Finance Company	313 North Street
PLYMOUTH		
203	Beneficial Finance Co.	25 Main Street
QUINCY		
248	American Finance Corp. of Quincy	1620 Hancock Street
243	Avco Financial Services Trust	1466 Hancock Street
136	Beneficial Finance Co.	113 Parkway
75	Family Loan Corporation of Quincy	10 Chestnut Street
363	Homemakers Loan & Consumer Discount Co.	21 Franklin Street
180	Household Finance Corporation	148 Parkway
304	Local Finance Company of Quincy	1388 Hancock Street
116	Public Finance Company	1468 Hancock Street
169	Signal Finance Company of Quincy	8 Granite Street
RANDOLPH		
340	Dial Finance Company of Randolph	322 North Main Street
READING		
97	G.A.C. Finance Corp. of Wakefield	580 Main Street
REVERE		
246	Paul Revere Loan Association, Inc.	206 Broadway
24	Public Finance Company	209 Squire Road
ROCKLAND		
257	Local Finance Company of Rockland	257 Union Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
SALEM		
189	American Finance Corp. of Quincy	16 New Derby Street
137	Beneficial Finance Co.	120 Washington Street
183	Household Finance Corporation	75 Washington Street
271	Public Finance Company	211 Essex Street
56	State Loan Co. Inc.	6 Lynde Street
SAUGUS		
198	Household Finance Corp. of Saugus	1307 Broadway
SHREWSBURY		
349	C.I.T. Financial Services, Inc.	50 Boston Turnpike
23	Public Finance Company	384-C Maple Avenue
SOMERSET		
225	Local Finance Company of Somerset	933 County Street
SOMERVILLE		
33	Beneficial Finance Co.	263 Elm Street
96	Family Loan Corp. of Somerville	415 Highland Avenue
329	People's Finance Co. of Boston, Inc.	59 Union Square
272	Public Finance Company	409A Highland Avenue
211	State Loan Co. of Somerville	55 Davis Square
SOUTHBRIDGE		
294	Family Loan Corporation of Southbridge	1 Elm Street
187	Public Finance Company	312 Main Street
SPRINGFIELD		
210	American Finance Corp. of Watertown	1228 Main Street
91	Associates Financial Services Co. of Mass., Inc.	620 State Street
276	Avco Financial Services Trust, The	1645 Main Street
50	Beneficial Finance Co.	526 Sumner Avenue
73	Beneficial Finance Co.	1618 Main Street
167	Commercial Credit Plan Incorporated	297 Bridge Street
102	Credithrift of America, Inc. No. 2	43 Pearl Street
142	Dial Finance Co. of Springfield, Mass. No. 1	479 Breckwood Blvd.
220	Dial Finance Company of Springfield, Mass.	1173 Main Street
364	Homemakers Loan & Consumer Discount Co.	622 Main Street
139	Household Finance Corporation	1431 Main Street
125	Ideal Budget Plan, Inc.	1421 Main Street
86	Liberty Loan Company of Springfield	145 State Street
386	Pacific Finance Loans	390 Dickinson Street
377	Pacific Finance Loans	1211 Boston Road
163	Public Finance Company	1567 Main Street
212	Signal Finance Company of Springfield	653 Boston Road
STONEHAM		
266	Household Finance Corp. of Stoneham	83 Main Street
STOUGHTON		
308	Local Finance Company of Stoughton	54 Porter Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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TAUNTON

81	Beneficial Finance Co.	75 Main Street
268	Blackstone Finance, Inc. of Taunton	6 Trescott Street
70	Liberty Loan Company of Taunton	4 Cedar Street
258	Local Finance Company of Taunton	3 Main Street

WAKEFIELD

237	Beneficial Finance Co.	407 Main Street
376	Ford Motor Credit Company	43 Tuttle Street

WALPOLE

156	Dial Finance Company of Walpole	940 Main Street
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WALTHAM

392	Aetna Finance Company	877 Main Street
244	Avco Financial Services Trust, The	24 Crescent Street
135	Beneficial Finance Co.	355 Moody Street
79	Household Finance Corporation	333 Moody Street
123	Public Finance Company	389 Moody Street

WAREHAM

368	Wilson Finance Corporation	Store No. 4, Shopper's Plaza
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WATERTOWN

334	American Finance Corporation of Watertown	34 Mt. Auburn Street
20	Associates Financial Services Co. of Mass., Inc.	8 Bigelow Avenue
138	Dial Finance Company of Watertown	2A Mt. Auburn Street

WEBSTER

164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	127 Main Street

WESTFIELD

112	Beneficial Finance Co.	26 Main Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street

WEYMOUTH

372	Commercial Credit Plan Incorporated	809 Washington St., East Weymouth
127	Household Finance Corp. of Weymouth	116 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
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WHITINSVILLE

315	Dial Finance Co. of Whitinsville	185 Church Street
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WILBRAHAM

78	Associates Financial Services Co. of Mass., Inc.	6 Stoneyhill Road
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WINTHROP

342	Highland Enterprises, Inc.	196 Hagman Road
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WOBURN

128	American Financial Corp. of Middlesex County	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance Company of Woburn	343 Main Street

WORCESTER

124	Associates Financial Services Co. of Mass., Inc.	27 Pearl Street
68	Avco Financial Services Trust, The	285 Park Avenue
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	2 Foster Street
270	Beneficial Finance Co.	1086 Main Street
174	Budget Finance Plan	421 Main Street
331	City Finance, Inc.	289 Main Street
94	Commercial Credit Plan Incorporated	945 Grafton Street
327	Consumers Financial Services Trust	8 Norwich Street
126	Dial Finance Company of Worcester	544 Main Street
337	G.A.C. Finance Corp. of Worcester	74 Franklin Street
131	Household Finance Corporation	545G Lincoln Street
224	Household Finance Corp.	390 Main Street
316	Household Finance Corp. of Worcester	1073 Main Street
34	Italian Finance Company of Worcester	157 Shrewsbury Street
251	Liberty Loan Company of Massachusetts	405 Main Street
382	Pacific Finance Loans	99A Stafford Street
384	Pacific Finance Loans	534 Lincoln Street
13	Public Finance Company	390 Main Street
69	Public Finance Company	390 Main Street (temp.)
213	Signal Finance Company of Worcester	496 Park Avenue



The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES



FRANCIS W. SARGENT

Governor

ANNUAL REPORT

OF THE

COMMISSIONER OF BANKS

FOR THE

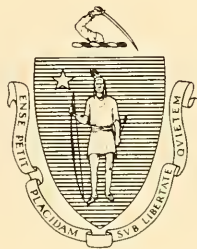
YEAR ENDING DECEMBER 31, 1971

RELATING TO

LICENSED SMALL LOAN LENDERS



The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES

Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

COMMISSIONER OF BANKS
FREYDA P. KOPLOW

DEPUTY COMMISSIONER OF BANKS
ROBERT J. MAIETTA

SUPERVISOR OF LOAN AGENCIES
ROBERT S. LEADBETTER

ASSISTANT SUPERVISOR AND RATE ANALYST
ALFRED P. QUIRK

The Commonwealth of Massachusetts

OFFICE OF THE COMMISSIONER OF BANKS

Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

May 15, 1972

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF
MASSACHUSETTS:

I have the honor of submitting to you herewith the annual report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the fiscal year ended December 31, 1971.

Respectfully,

FREYDA P. KOPLOW
Commissioner of Banks

TABLE OF EXHIBITS

EXHIBIT A.	Legislation.
EXHIBIT B.	Composite Statement of Assets (Loan Business of \$3,000 or Less).
EXHIBIT C.	Composite Statement of Income and Expense (Loan Business of \$3,000 or Less).
EXHIBIT D.	Analysis of Loans by Size (Loans of \$3,000 or Less).
EXHIBIT E.	Analysis of Loans by Types of Security (Loans of \$3,000 or Less).
EXHIBIT F.	Analysis of Loans Made for Last Five Years (Loans of \$3,000 or Less).
EXHIBIT G.	Suits, Possession and Sale of Chattels (Loans of \$3,000 or Less).
EXHIBIT H.	Consolidated Statement of Financial Condition (Total Loan and Finance Business).
EXHIBIT I.	Consolidated Statement of Income and Expense (Total Loan and Finance Business).
EXHIBIT J.	List of Licensed Small Loan Agencies.

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing—as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1971, there were three hundred and fourteen small loan licenses outstanding.

During the calendar year, 1971, 191,982 loans of \$3,000 or less amounting to \$180,696,478.79 which is less unearned charges, were made. These figures represent a decrease of 11,748 in the number of loans made and a decrease of \$1,757,162.92 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$941.22 as compared to \$895.57 for the calendar year 1970.

On December 31, 1971, there were 230,484 regulated loans of \$3,000 or less outstanding with a face value of \$229,250,799.44 which includes unearned charges amounting to \$42,379,222.15. These figures represent a decrease of 15,386 in the number and a decrease of \$692,791.95 in the amount of net loans outstanding since the beginning of the calendar year.

The discrepancy between the number and amount of net loan balances outstanding at the beginning of the period as shown in Exhibit D of this report and the number and amount of net loan balances outstanding at the end of the period as shown in Exhibit D of the previous report is due to sale of assets or non-renewal of licenses of seven licensees. Annual reports for these seven companies were used in the compilation of the previous report but reports were not filed for the calendar year, 1971.

It is the opinion of this department that the net loan balances outstanding at the beginning of the period must be considered to truly reflect the total activity of the loan industry in the Commonwealth for the calendar year, 1971.

The average net loan outstanding on December 31, 1971 was \$810.78 as compared with \$726.86 on December 31, 1970.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$5,501,149.75.

Gross income for the period totaled \$40,923,850.20 of which \$341,779.18 represents recoveries on loans previously charged off and \$149,107.63 represents other income. Operating expenses aggregating \$18,182,797.85 include \$3,370,138.59 of home office expenses; charge-offs on bad debts amounting to \$1,050,508.33 and an addition of \$4,497,231.92 to the valuation reserve combine to make a total expense of \$23,730,538.10 which, deducted from gross income, leaves a balance of \$17,193,312.10 representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$3,944,153.77 remains after deducting interest on borrowed funds amounting to \$10,337,309.54 and federal income taxes amounting to \$2,911,848.79.

As of December 31, 1971, the book assets amounted to \$201,482,141.06. The cash in office and in banks amounted to \$2,615,793.58 which includes \$417,525.91 in compensating balances. Home office assets allocated to Massachusetts Licensees consist of cash of \$4,757,051.95 and other assets of \$9,856,617.84 making a total of \$14,613,669.79. Compensating balances included in the allocation amount to \$3,893,427.77 which when totaled will produce compensating balances of \$4,310,953.68. Total assets as shown in Exhibit B less compensating balances produce assets \$197,171,187.38.

This department does not consider compensating balances to be assets. They are used here as a deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The maximum interest charges permitted on loans of \$3,000 or less for licensed small loan lenders is $2\frac{1}{2}\%$ per month on any part of the unpaid principal balance not exceeding \$200; 2% per month on any part of the unpaid principal balance exceeding \$200 but not exceeding \$600; $1\frac{3}{4}\%$ per month on that part of the unpaid principal balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1% per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6% per annum after the termination of one year after maturity of the loan.

The maximum interest charges permitted on loans of \$3,000 or less for unlicensed lenders is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charge permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time of the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

SMALL LOAN CASES

On November 4, 1971, the Massachusetts Supreme Judicial Court rendered a decision upholding the bribery and conspiracy convictions in the Suffolk Superior Court against four finance companies and six employees or agents of the companies or wholly-owned subsidiary entities.

The convictions were the result of two separate series of indictments and two separate jury trials of various individual and corporate defendants.

The corporations convicted in the first trial, which began on July 18, 1966 and ended December 18, 1966, were Beneficial Finance Corporation, Household Finance Corporation and Liberty Loan Corporation.

The corporate defendants convicted in the second trial, which began July 17, 1967 and ended on June 10, 1968, were Beneficial Finance Corporation, Household Finance Corporation and Local Finance Corporation.

The defendant corporations and the individuals referred to have filed claims of appeal to the Supreme Court of the United States.

The order of the Commissioner of Banks, issued on March 1, 1967, after public hearing, suspending the licenses of Industrial Bankers d/b/a Beneficial Finance Co., New England Equity d/b/a Beneficial Finance Co., Webster Associates d/b/a Beneficial Finance Co., Household Finance Corporation and its wholly-owned subsidiaries, and the wholly-owned business trusts of the Liberty Loan Corporation was stayed on April 5, 1967 by the Supreme Court in Equity upon petition by the respondent companies until further order of the Court which may well be after the final adjudication of the appeals pending.

EXHIBIT A

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT

Acts and Resolves of 1971

CHAPTER	AMENDMENT TO:	DESCRIPTION
86	G. L. C. 255D, s. 27 (C. 822, Acts of 1970 s. 6)	An Act Postponing the Effective Date of the Law Relative to the imposition of Finance Charges in certain Revolving Credit Agreements.
130	G. L. C. 93A, s. 4	An Act Decreasing the Time Within Which the Attorney General shall notify certain Persons of Intended Action under the Law Regulating Business Practices for Consumers Protection.
148	G. L. C. 255C, new s. 14A	An Act Limiting the Charges for Group Credit Life Insurance Issued in Connection with Insurance Premium Finance Agreements.
241	G. L. C. 93A, s. 9	An Act Extending Certain Equitable Remedies under the Consumer Protection Law to Certain Aggrieved Persons who Purchased Real Estate for Personal or Family Use.
314	G. L. C. 93, s. 24B	An Act Relative to the cost of Investigations of Applicants for Licenses to conduct a Collection Agency.
340	G. L. C. 255B, s. 1	An Act further Defining a Retail Instalment Contract under the Law Regulating Retail Instalment Sales of Motor Vehicles.
341	G. L. C. 255D, s. 1	An Act further Defining a Retail Instalment Sale Agreement under the Law Regulating Retail Instalment Sales and Services.
343	G. L. C. 255B, new s. 19A	An Act providing that the Holder of a Motor Vehicle Retail Instalment Contract shall be subject to all defenses which the Retail Buyer may have against the Retail Seller.
368	G. L. C. 271, s. 49 para. (e)	An Act further Defining the Crime of Usury .
652	G. L. C. 93, s. 25	An Act increasing the Amount of the Bond required to be Filed by Collection Agencies.
712	G. L. C. 255, s. 12E	An Act relative to limiting the Liability of the Holder of a Credit Card or other Credit Device.

CHAPTER	AMENDMENT TO:	DESCRIPTION
726	G. L. C. 152B, s. 4, new sub. (9)	An Act Relative to eliminating discrimination in Credit, Services or Rental Accommodations to certain Recipients of Public Assistance.
805	G. L. C. 93, new s. 50 to 68 Repealed G. L. C. 93, S. 44 to 47	An Act Regulating the Law Relative to Consumer credit reporting.
860	G. L., new C. 93C	An Act Providing for the protection of Consumers against careless and erroneous billings.

The Commonwealth of Massachusetts

ANNUAL REPORT OF THE COMMISSIONER OF BANKS

FOR THE YEAR ENDED DECEMBER 31, 1971

(General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1971

(Loan Business of \$3,000 or Less)

		Licensed Agencies
		314
<hr/>		
Receivables:		
(a) Gross Amount	\$	229,250,799.44
(b) Less: Unearned Charges		42,379,222.15
(c) Less: Allowance for Bad Debts		6,042,937.18
(d) Net Receivables		<u>180,828,640.11</u>
Cash in Office and in Banks		2,615,793.58
Real Estate (Less Allowance for Depreciation—Buildings)		318,343.46
Furniture, Fixtures and Equipment (Less Allowance for Depreciation)		997,305.85
Deferred Charges or Prepaid Expenses		504,181.06
Other Assets:		
(a) Organization and Development Expense	\$	8,693.26
(b) Cost of Financing		2,949.00
(c) Investments		463,869.40
(d) Miscellaneous Notes and Accounts Receivables		890,436.47
(e) Miscellaneous		<u>238,259.08</u>
		<u>1,604,207.21</u>
Total Assets	\$	<u>186,868,471.27</u>
Home Office Assets Allocated to Massachusetts Licensees		<u>14,613,669.79</u>
Total	\$	<u>201,482,141.06</u>
Compensating Balances Included in Cash		417,525.91
Compensating Balances Included in Home Office Assets allocated to Massachusetts Licensees		<u>3,893,427.77</u>
Total Compensating Balances Included in Assets	\$	<u>4,310,953.68</u>

EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1971

(Loan Business of \$3,000 or Less)

GROSS INCOME

Charges collected and/or earned	\$	39,028,298.00
Delinquency charges collected		1,404,665.39
Collection on accounts previously charged off . . .		341,779.18
Other Income:		
(a) Gain on Sale of Assets	\$	12,560.94
(b) Income from Investments		20,900.22
(c) Miscellaneous		<u>115,646.47</u>
		149,107.63
Total Gross Income	\$	<u>40,923,850.20</u>

EXPENSES OF CONDUCTING BUSINESS

Advertising	\$	895,832.55
Auditing		94,262.84
Bad Debts:		
(a) Charged Off	\$	1,050,508.33
(b) Addition to Reserve		<u>4,497,231.92</u>
		5,547,740.25
Depreciation of Furniture, Fixtures and Equipment		251,697.77
Recording and Acknowledging Fees		(11,176.30)
Insurance and Fidelity Bonds		72,436.47
Legal Fees and Disbursements		329,361.75
Postage and Express		312,599.80
Printing, Stationery and Supplies		204,281.59
Rent		1,402,967.52
Salaries		7,276,363.77
Supervision and Administration		551,792.89
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	\$	411,502.38
(b) License Fees		82,814.80
(c) All Other Taxes		<u>655,573.30</u>
		1,149,890.48
Telephone and Telegraph		878,689.10
Travel		280,892.36
Other Expenses of Conducting Business		<u>1,122,766.67</u>
Total	\$	20,360,399.51
Total Home Office Expenses		3,370,138.59
Cost of Borrowed Funds		<u>10,337,309.54</u>
Total Expenses	\$	<u>34,067,847.64</u>
Net Earnings Before Federal Income Taxes	\$	<u>6,856,002.56</u>
Federal Income Taxes	\$	<u>2,911,848.79</u>
Total Expenses After Income Taxes	\$	<u>36,979,696.43</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds	\$	<u>3,944,153.77</u>

EXHIBIT D

ANALYSIS OF LOANS BY SIZE

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Total Loan Balances Outstanding (Less Unearned Charges) at Beginning of Period	243,721	\$ 186,502,236.93
Loans Made during the Period		
(a) Loans of \$ 100.00 or Less	1,996	143,685.18
(b) Loans of \$ 100.01 to \$ 200.00	10,934	1,571,146.07
(c) Loans of \$ 200.01 to \$ 300.00	15,426	3,714,950.03
(d) Loans of \$ 300.01 to \$ 400.00	17,301	5,821,615.01
(e) Loans of \$ 400.01 to \$ 500.00	15,007	6,623,655.23
(f) Loans of \$ 500.01 to \$ 600.00	17,943	9,663,086.00
(g) Loans of \$ 600.01 to \$1,000.00	42,144	32,797,023.59
(h) Loans of \$1,000.01 to \$1,500.00	33,421	40,439,642.34
(i) Loans of \$1,500.01 to \$3,000.00	37,810	79,921,675.34
Total loans made during the period	191,982	\$ 180,696,478.79
Loan Balances purchased during the period	21,701	15,561,352.41
Loan Balances sold during the period	17,728	13,815,902.98
Loan Balances charged off during the period	9,877	5,501,149.75
Collections during the period		176,571,438.11
Total Loan balances outstanding (Less Unearned Charges) at the end of the period	<u>230,484</u>	<u>\$ 186,871,577.29</u>

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Loans made during the period based in whole or in large part on:		
(a) Chattel Mortgages on Household Goods	86,345	\$ 105,862,370.14
(b) Automobiles	13,613	16,087,684.39
(c) Real Estate	327	768,806.85
(d) Other Chattels	3,378	3,946,229.82
(e) Unsecured Notes	81,953	48,303,220.03
(f) Endorsed and/or Co-maker Notes	4,710	3,542,061.20
(g) Wage Assignments	40	30,458.80
(h) Other Considerations	1,616	2,155,647.56
Total	<u>191,982</u>	<u>\$ 180,696,478.79</u>

EXHIBIT F

ANALYSIS OF LOANS MADE FOR LAST FIVE YEARS

(Loans of \$3,000 or Less)

	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Number	257,202	257,034	226,091	203,730	191,982
Amount	\$183,415,331.21	\$200,322,562.68	\$189,160,506.90	\$182,453,641.71	\$180,696,478.79

EXHIBIT G

SUITS, POSSESSION AND SALE OF CHATTELS

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Suits of Recovery:		
(a) Pending at Close of previous period	3,256	\$ 2,334,840.16
(b) Instituted during period	2,580	2,196,260.09
(c) Total	<u>5,836</u>	<u>\$ 4,531,100.25</u>
(d) Judgment secured during period	1,375	\$ 1,082,970.49
(e) Settled before judgment during the period	<u>790</u>	<u>545,455.30</u>
(f) Total	<u>2,165</u>	<u>\$ 1,628,425.79</u>
(g) Pending at close of current period	<u>3,671</u>	<u>\$ 2,902,674.46</u>
Wage Assignments filed during the period	<u>42</u>	<u>\$ 41,748.32</u>
Possession of Chattels obtained by licensees:		
(a) By Legal Process or Contract Right:		
(1) Household Goods	<u>8</u>	<u>\$ 4,785.59</u>
(2) Automobiles	<u>66</u>	<u>106,804.33</u>
(3) Other Chattels and Property	<u>3</u>	<u>3,919.15</u>
(b) By Voluntary surrender:		
(1) Household Goods	<u>22</u>	<u>\$ 25,617.64</u>
(2) Automobiles	<u>89</u>	<u>116,470.17</u>
(3) Other Chattels and Property	<u>13</u>	<u>9,383.57</u>
Sales of Chattels by licensees:	<u>Number</u>	<u>Amount Due</u> <u>Amount Collected</u>
(a) With Borrower's Consent	<u>111</u>	<u>\$146,356.98</u> <u>\$ 47,826.17</u>
(b) Without Borrower's Consent	<u>44</u>	<u>57,426.64</u> <u>\$ 18,100.26</u>

EXHIBIT H

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1971
(Total Loan and Finance Business)

<u>ASSETS</u>			
Receivables:			
(a) Gross Amount		\$	264,540,369.25
(b) Less: Unearned Charges			44,653,979.67
(c) Less: Allowance for Bad Debts			6,977,141.77
(d) Net Receivables		\$	212,909,247.81
Cash in Office and in Banks			3,625,070.39
Real Estate (Less Allowance for Depreciation—Buildings)			708,985.00
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)			1,151,283.44
Deferred charges or prepaid expenses			547,247.40
Other Assets:			
(a) Organization or Development Expense	\$	12,337.92	
(b) Cost of Financing		4,258.00	
(c) Investments		1,157,578.78	
(d) Miscellaneous Notes and Accounts Receivables		1,003,842.66	
(e) Miscellaneous		445,068.20	2,623,085.56
Total Assets		\$	221,564,919.60
Home Office Assets allocated to Massachusetts Licensees			
		\$	15,726,473.72
Total		\$	237,291,393.32
<u>LIABILITIES AND CAPITAL</u>			
Accounts and Notes Payable:			
(a) Banks	\$	5,130,918.27	
(b) Due to Parent Company or Affiliate		87,468,005.12	
(c) Other Short Term Notes and Accounts		3,614,422.10	\$ 96,213,345.49
Bonds			1,322,464.15
Long term notes			2,099,902.03
Investment Certificates			3,038,635.00
Other Liabilities:			
(a) Accrued Expense	\$	512,144.47	
(b) Other Expense Reserves		757,738.10	1,269,882.57
Branch Office Capital			94,150,849.80
Net Worth (If Individual or Partnership)			177,728.80
Capital Stock (If Corporation)			
(a) Preferred	\$	2,508,574.61	
(b) Common		7,323,017.51	9,831,592.12
Paid in Surplus			6,235,599.43
Appropriate Surplus or Capital Reserve			702,066.58
Retained Earnings			6,522,853.63
Total Liabilities and Capital		\$	221,564,919.60
Compensating Balances included in Cash		\$	662,887.78
Compensating Balances included in Home Office Assets allocated to Massachusetts licensees			4,466,663.07
Total Compensating Balances included in Assets		\$	5,129,550.85

EXHIBIT I

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1971

(Total Loans and Finance Business)

GROSS INCOME

Charges collected and/or earned		\$	42,852,921.84
Delinquency charges collected			1,512,303.32
Collections on Accounts previously charged off			414,147.91
Other Income:			
(a) Gain on Sale of Assets	\$	26,635.19	
(b) Income from Investments		83,949.54	
(c) Miscellaneous		202,099.83	312,684.56
Total Gross Income		\$	<u>45,092,057.63</u>

EXPENSES OF CONDUCTING BUSINESS

Advertising		\$	978,815.79
Auditing			132,923.94
Bad Debts:			
(a) Charged Off	\$	1,137,957.99	
(b) Addition to Reserves		<u>4,875,811.29</u>	6,013,769.28
Depreciation of Furniture, Fixtures and Equipment			300,279.61
Recording and Acknowledging Fees			(11,662.54)
Insurance and Fidelity Bonds			92,377.41
Legal Fees and Disbursements			378,658.21
Postage and Express			356,169.20
Printing, Stationery and Supplies			245,811.16
Rent			1,591,216.20
Salaries			8,449,901.57
Supervision and Administration			607,427.66
Taxes (Excluding Federal Taxes on Income):			
(a) State Income	\$	477,045.13	
(b) License Fees		132,065.00	
(c) All Other Taxes		<u>754,791.92</u>	1,363,902.05
Telephone and Telegraph			1,005,540.21
Travel			328,742.26
Other Expenses of Conducting Business			<u>1,386,295.40</u>
Total		\$	23,220,167.41
Total Home Office Expense			3,735,272.34
Cost of Borrowed Funds			<u>11,903,647.33</u>
Total Expenses		\$	<u>38,859,087.08</u>
Net Earnings Before Federal Income Taxes		\$	<u>6,232,970.55</u>
Federal Income Taxes		\$	<u>3,187,293.17</u>
Total Expenses After Income Taxes		\$	<u>42,046,380.25</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		\$	<u>3,045,677.38</u>

EXHIBIT J

LICENSED SMALL LOAN AGENCIES

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of May 1, 1972.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
53	Beatty, Charles S. Company	7 Water Street
63	Belmont Finance Company	453 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	80 Boylston Street
117	Beneficial Finance Co.	5 Bromfield Street
239	Beneficial Finance Co.	8 Winter Street
66	Beneficial Finance Co.	919 Washington St., Dorchester
231	Beneficial Finance Co.	1257 River Street, Hyde Park
204	Beneficial Finance Co.	4640 Washington St., Roslindale
235	Beneficial Finance Co.	105 Dorchester St., So. Boston
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plain Incorporated	150 Tremont Street
93	Dial Finance Company of Boston	15 School Street
217	Dial Finance Company of Boston No. 2	38 Chauncy Street
186	Dial Finance Company of Boston No. 1	31 St. James Avenue
149	Family Loan Corporation of Brighton	359 Washington St., Brighton
43	Family Loan Corporation of Dorchester	1457 Dorchester Ave., Dorchester
356	G. A. C. Finance Corporation of Boston	373 Washington Street
360	Globe Financial Services, Inc.	677 Beacon Street
16	Household Finance Corporation	80 Boylston Street
49	Household Finance Corporation	175 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
143	Household Finance Corporation	598 Columbia Rd., Dorchester
208	Household Finance Corporation	679 Canterbury St., Roslindale
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nester Hall Company	7 Water Street
354	Postal Finance Company	262 Washington Street
374	Postal Finance Company	58 Winter Street
111	Public Finance Company	145 Tremont Street
200	Public Finance Company	31 St. James Ave.
216	Public Finance Company	333 Washington Street
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian Street, E. Boston
184	Public Finance Company	1232 River Street, Hyde Park
218	Public Finance Company	4252 Washington St., Roslindale
145	State Loan Co.	120 Boylston Street
347	Sumner Finance Company	262 Washington Street
AGAWAM		
341	C. I. T. Financial Services, Inc.	324 Walnut Street
AMHERST		
343	Amherst Finance Corporation	100 Triangle Street
ANDOVER		
98	Andover Finance Company	Musgrove Bldg., Elm Square

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
ARLINGTON		
326	American Finance Corporation	457 Massachusetts Avenue
297	C. I. T. Financial Services, Inc.	11 Mystic Street
ATHOL		
162	Public Finance Company	516 Main Street
ATTLEBORO		
48	Beneficial Finance Co.	7 Park Street
252	Blackstone Finance, Inc. of Attleboro	25 Bank Street
130	Public Finance Company	39 Park Street
BEVERLY		
58	American Finance Corp'n of Lynn	269 Cabot Street
214	Associates Financial Services Co. of Mass.	263 Cabot Street
181	Beneficial Finance Co.	236 Cabot Street
BRAINTREE		
240	Credithrift of America Inc., No. 2	731 Granite Street
BROCKTON		
289	Avco Financial Services Trust, The	250 Main Street
133	Beneficial Finance Co.	190 Main Street
350	C. I. T. Financial Services, Inc.	286 North Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
253	Dial Finance Company of Brockton	726 Crescent Street
353	G. A. C. Finance Corporation, Inc.	Store 31B, Westgate Shopping Center
194	Household Finance Corporation	136 Main Street
113	Postal Finance Company	231 Main Street
87	Local Finance Company of Brockton	95 Main Street
104	Public Finance Company	139 Main Street
190	Signal Finance Company of Brockton	57 Legion Parkway
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard Street
141	Household Finance Corporation	1330 Beacon Street
BURLINGTON		
222	Dial Finance Company of Burlington, Mass.	226 Cambridge Street
BUZZARDS BAY		
306	Public Finance Company	137 Main Street
CAMBRIDGE		
71	Beneficial Finance Co.	519 Massachusetts Avenue
64	Household Finance Corporation	678 Massachusetts Avenue
80	Household Finance Corporation	27 White Street
118	Postal Finance Company	765 Massachusetts Avenue
159	Public Finance Company	495 Massachusetts Avenue
CHELSEA		
195	Beneficial Finance Co.	279 Broadway
309	Public Finance Company	438 Broadway
CHICOPEE		
234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corp. of Chicopee	10 Center Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
CLINTON		
106	Associates Financial Services Co., of Mass., Inc. . .	70 High Street
DEDHAM		
357	Signal Finance Company of Dedham	515 Providence Highway
EASTHAMPTON		
3	Local Finance Company of Easthampton	62 Main Street
EVERETT		
197	Beneficial Finance Co.	449a Broadway
292	Family Loan Corp. of Mass.	427a Broadway
310	Public Finance Company	164 School
FAIRHAVEN		
351	C. I. T. Financial Services, Inc.	102 Huttleston Avenue
FALL RIVER		
28	Beneficial Finance Co.	33 Bedford Street
166	Cascade Finance Company	100 Purchase Street
165	Commercial Credit Plan Incorporated	435 Columbia Street
10	Dial Finance Company of Fall River	259 South Main Street
18	G. A. C. Finance Corporation of Fall River	1467 South Main Street
27	Household Finance Corporation	13 Borden Street
209	Local Finance Company of Fall River	17 No. Main Street
379	Pacific Finance Loans	314 So. Main Street
37	Public Finance Company	114 So. Main Street
39	Signal Finance Company of Fall River	304 So. Main Street
367	Stanley Company, Inc. The	64 So. Main Street
FALMOUTH		
288	Beneficial Finance Co.	181 Main Street
FITCHBURG		
375	Associates Financial Services Co. of Mass., Inc. . . .	385 Main Street
32	Beneficial Finance Co.	347 Main Street
52	Household Finance Corporation	457 Main Street
380	Pacific Finance Loans	558 Main Street
273	Public Finance Company	516 Main Street
FRAMINGHAM		
173	Beneficial Finance Co.	106 Concord Street
178	General Finance Corp. of Framingham	129A Concord Street
260	Household Finance Corp. of Framingham	40 Concord Street
254	Local Finance Company of Framingham	32 Union Avenue
95	Public Finance Company	18 Union Avenue
GARDNER		
232	Beneficial Finance Co.	49 Parker Street
161	Public Finance Company	11 Pleasant Street
GLOUCESTER		
59	Public Finance Company	82 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
GREAT BARRINGTON		
21	Pioneer Credit Corporation	337 Main Street
GREENFIELD		
146	Beneficial Finance Co.	275 Main Street
153	Guaranty Loan Co. of Greenfield	209 Main Street
283	Household Finance Corp. of Greenfield	158 Main Street
HAVERHILL		
233	American Finance Corp. of Watertown	21 Washington Square
105	Beneficial Finance Co.	143 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corp. of Haverhill	91 Merrimack Street
393	Pacific Finance Loans	234 Water Street
120	Public Finance Company	181 Merrimack Street
HOLYOKE		
40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Company of Holyoke	320 High Street
245	Household Finance Corporation of Holyoke	353 High Street
175	Public Finance Company	348 High Street
291	Signal Finance Company of Holyoke	392 High Street
HUDSON		
69	Public Finance Company	23 Main Street
HYANNIS		
76	Beneficial Finance Co.	436 Main Street
226	Commercial Credit Plan, Incorporated	509 Main Street
284	Household Finance Corp. of Hyannis	396 Main Street
338	Local Finance Company of Hyannis	29 North Street
LAWRENCE		
370	American Finance Corp. of Middlesex County	204 Essex Street
15	Avco Financial Services Trust, The	372 Common Street
147	Beneficial Finance Co.	27 Amesbury Street
277	Community Finance, Inc. of Lawrence	125 Amesbury Street
262	Household Finance Corp. of Lawrence	488 Essex Street
30	Local Loan & Finance Co., Inc.	79 Common Street
114	Public Finance Company	15 Lawrence Street
LEOMINSTER		
83	Associates Financial Services Co. of Mass., Inc.	44 Main Street
148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corp.	10 Monument Square
LOWELL		
101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	11 Central Street
179	Beneficial Finance Co.	97 Central Street
279	Central Finance Service, Inc.	19 Palmer Street
322	Commercial Credit Plan, Incorporated	176 Church Street
313	Fidelity Consumer Finance Corp.	40 Central Street
312	G. A. C. Finance Corp. of Lowell	813 Lakeview Ave.
172	Household Finance Corporation	100 Merrimack Street
369	Kels Investment Corporation	331 Westford Street
317	Lowell Finance Co., Inc.	217 Appleton Street
269	Merrimack Valley Finance Co., Inc.	1 Merrimack Street
119	Postal Finance Co.	219 Central Street
14	Public Finance Company	2 Kearney Square

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
LYNN		
390	Aetna Finance Company	30 Market Street
314	American Finance Corp. of Lynn	26 State Street
229	Avco Financial Services of Lynn, Inc.	56 Central Square
122	Beneficial Finance Co.	48 State Street
352	C. I. T. Financial Services, Inc.	21 State Street
371	Dial Finance Company of Lynn	116 Market Street
154	Household Finance Corporation	341 Union Street
121	Postal Finance Co.	171A Union Street
19	Public Finance Company	29 Central Square
MALDEN		
391	Aetna Finance Company	366 Main Street
107	Beneficial Finance Co.	444 Pleasant Street
323	Commercial Credit Plan, Incorporated	33 Dartmouth Street
321	Dial Finance Company of Malden	3 Pleasant Street
6	Household Finance Corporation	60 Pleasant Street
72	Public Finance Company	15 Pleasant Street
227	State Loan Co., Inc.	482 Main Street
MANSFIELD		
62	The Mansfield Finance Company, Inc.	5 Old Colony Road
MARLBOROUGH		
65	Beneficial Finance Co.	214 Main Street
293	Family Loan Corporation of Marlborough	132 Main Street
171	Marlboro Finance Corp.	217 Main Street
MEDFORD		
199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Company	24 Riverside Avenue
MIDDLEBOROUGH		
250	Beneficial Finance Co.	6 So. Main Street
MILFORD		
207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	230 Main Street
373	Ideal Finance, Inc.	269 Main Street
255	Local Finance Company of Milford	179 Main Street
110	Milford Finance Corporation	182 Main Street
NATICK		
385	Pacific Finance Loans	11a West Central Street
NEW BEDFORD		
100	Avco Financial Services Trust, The	71 William Street
44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
336	Bristol Acceptance Trust, Inc.	292 Union Street
46	Community Plan Incorporated	558 Pleasant Street
193	Credithrift of America, Inc. No. 2	634 Pleasant Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 Rivet Street
90	Public Finance Company	801 Purchase Street
7	Wamsutta Finance Co., Inc.	222 Union Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
NEWBURYPORT		
150	Beneficial Finance Co.	80 State Street
9	G. A. C. Finance Corporation of Newburyport . . .	40 Pleasant Street
NEWTON		
201	Beneficial Finance Co.	325 Walnut Street, Newtonville
348	Brainerd Finance Company	1279 Washington St., W. Newton
NORTH ADAMS		
151	Beneficial Finance Co.	59 Main Street
378	Pacific Finance Loans	85 Main Street
132	Postal Finance Co.	14 Ashland Street
NORTH ATTLEBOROUGH		
54	Public Finance Company	11 So. Washington Street
NORTHAMPTON		
264	Household Finance Corp. of Northampton	70 Main Street
35	Local Finance Company of Northampton	159 Main Street
381	Pacific Finance Loans	142 Main Street
NORWOOD		
196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corp. of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street
PALMER		
274	Guaranty Loan Co., of Palmer	366 Main Street
PEABODY		
144	Household Finance Corp. of Peabody	No. Shore Shopping Center
256	Local Finance Company of Peabody	70 Main Street
PITTSFIELD		
88	Beneficial Finance Co.	361 North Street
4	Budget Finance Plan	278 North Street
206	C. I. T. Financial Services, Inc.	346 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
366	Greylock Finance, Inc.	631 North Street
265	Household Finance Corp. of Pittsfield	86 North Street
383	Pacific Finance Loans	415 North Street
170	Public Finance Company	313 North Street
PLYMOUTH		
203	Beneficial Finance Co.	25 Main Street
QUINCY		
248	American Finance Corp. of Quincy	1620 Hancock Street
243	Avco Financial Services Trust	1466 Hancock Street
136	Beneficial Finance Co.	113 Parkingway
75	Family Loan Corporation of Quincy	10 Chestnut Street
363	Homemakers Loan & Consumer Discount Co. . . .	21 Franklin Street
180	Household Finance Corporation	148 Parkingway
304	Local Finance Company of Quincy	1388 Hancock Street
116	Public Finance Company	1468 Hancock Street
169	Signal Finance Company of Quincy	8 Granite Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
RANDOLPH		
340	Dial Finance Company of Randolph	322 North Main
READING		
97	G. A. C. Finance Corp. of Wakefield	580 Main Street
REVERE		
246	Paul Revere Loan Association, Inc.	206 Broadway
24	Public Finance Company	209 Squire Road
ROCKLAND		
257	Local Finance Company of Rockland	257 Union Street
SALEM		
189	American Finance Corp. of Quincy	16 New Derby Street
137	Beneficial Finance Co.	120 Washington Street
183	Household Finance Corporation	75 Washington Street
271	Public Finance Company	211 Essex Street
56	State Loan Co., Inc.	6 Lynde Street
SAUGUS		
365	Homemakers Loan and Consumers Discount Co. . .	5 Broadway
198	Household Finance Corp. of Saugus	1307 Broadway
SHREWSBURY		
349	C. I. T. Financial Services, Inc.	50 Boston Turnpike
23	Public Finance Company	384-C Maple Avenue
SOMERSET		
225	Local Finance Company of Somerset	933 County Street
SOMERVILLE		
33	Beneficial Finance Co.	263 Elm Street
96	Family Loan Corp. of Somerville	415 Highland Avenue
329	People's Finance Co. of Boston, Inc.	59 Union Square
272	Public Finance Company	409A Highland Avenue
211	State Loan Co. of Somerville	55 Davis Square
SOUTHBRIDGE		
294	Family Loan Corporation of Southbridge	1 Elm Street
187	Public Finance Company	312 Main Street
SPRINGFIELD		
210	American Finance Corp. of Watertown	266 Bridge Street
91	Associates Financial Services Co. of Mass., Inc. . .	620 State Street
276	Avco Financial Services Trust, The	1645 Main Street
50	Beneficial Finance Co.	526 Sumner Avenue
73	Beneficial Finance Co.	1624 Main Street
167	Commercial Credit Plan Incorp.	297 Bridge Street
102	Credithrift of America, Inc. No. 2	43 Pearl Street
142	Dial Finance Co. of Springfield, Mass. No. 1 . . .	479 Breckwood Blvd.
220	Dial Finance Company of Springfield, Mass. . . .	1173 Main Street
364	Homemakers Loan & Consumer Discount Co. . . .	622 State Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
SPRINGFIELD		
(Continued)		
139	Household Finance Corporation	1431 Main Street
125	Ideal Budget Plan, Inc.	1660 Main Street
386	Pacific Finance Loans	390 Dickinson Street
377	Pacific Finance Loans	1211 Boston Road
182	Postal Finance Company	1228 Main Street
163	Public Finance Company	1567 Main Street
212	Signal Finance Company of Springfield	653 Boston Road
STONEHAM		
266	Household Finance Corp. of Stoneham	83 Main Street
STOUGHTON		
308	Local Finance Company of Stoughton	54 Porter Street
TAUNTON		
81	Beneficial Finance Co.	75 Main Street
268	Blackstone Finance, Inc. of Taunton	6 Trescott Street
258	Local Finance Company of Taunton	3 Main Street
185	Postal Finance Company	4 Cedar Street
WAKEFIELD		
237	Beneficial Finance Co.	407 Main Street
376	Ford Motor Credit Company	43 Tuttle Street
WALPOLE		
156	Dial Finance Company of Walpole	940 Main Street
WALTHAM		
392	Aetna Finance Company	877 Main Street
244	Avco Financial Services Trust, The	24 Crescent Street
135	Beneficial Finance Co.	355 Moody Street
79	Household Finance Corporation	333 Moody Street
42	Pacific Finance Loans	21 Main Street
123	Public Finance Company	389 Moody Street
WATERTOWN		
334	American Finance Corporation of Watertown . . .	34 Mt. Auburn Street
20	Associates Financial Services Co. of Mass., Inc. . .	8 Bigelow Avenue
138	Dial Finance Company of Watertown	2A Mt. Auburn Street
WEBSTER		
164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	127 Main Street
WESTFIELD		
112	Beneficial Finance Co.	26 Main Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
WEYMOUTH		
372	Commercial Credit Plan, Incorporated	809 Washington Street EAST WEYMOUTH
127	Household Finance Corp. of Weymouth	116 Main Street
WHITINSVILLE		
315	Dial Finance Co. of Whitinsville	185 Church Street
WILBRAHAM		
78	Associates Financial Services Co. of Mass., Inc.	6 Stoneyhill Road
WINTHROP		
342	Highland Enterprises, Inc.	196 Hagman Road
WOBURN		
128	American Financial Corp. of Middlesex County	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance Company of Woburn	343 Main Street
WORCESTER		
124	Associates Financial Services Co. of Mass., Inc.	27 Pearl Street
68	Avco Financial Services Trust, The	285 Park Avenue
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	2 Foster Street
270	Beneficial Finance Co.	1086 Main Street
174	Budget Finance Plan	55 Pleasant Street
331	City Finance, Inc.	289 Main Street
94	Commercial Credit Plan Incorporated	945 Grafton Street
327	Consumers Financial Services Trust	8 Norwich Street
126	Dial Finance Company of Worcester	544 Main Street
337	G. A. C. Finance Corp. of Worcester	74 Franklin Street
131	Household Finance Corporation	545G Lincoln Street
224	Household Finance Corporation	390 Main Street
316	Household Finance Corp. of Worcester	1073 Main Street
34	Italian Finance Company of Worcester	157 Shrewsbury Street
382	Pacific Finance Loans	99A Stafford Street
384	Pacific Finance Loans	534 Lincoln Street
228	Postal Finance Company	405 Main Street
13	Public Finance Company	390 Main Street
213	Signal Finance Company of Worcester	496 Park Avenue



The Commonwealth of Massachusetts

DIVISION OF BANKS AND LOAN AGENCIES



Government Documents
Collection
FEB 25 1975

University of Massachusetts

FRANCIS W. SARGENT

Governor

ANNUAL REPORT

OF THE
COMMISSIONER OF BANKS

FOR THE

YEAR ENDING DECEMBER 31, 1973

RELATING TO

LICENSED SMALL LOAN LENDERS



The Commonwealth of Massachusetts



DIVISION OF BANKS AND LOAN AGENCIES

Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

COMMISSIONER OF BANKS
FREYDA P. KOPLOW

DEPUTY COMMISSIONER OF BANKS
CARMINE T. PALLOTTA

DEPUTY COMMISSIONER OF BANKS AND GENERAL COUNSEL
EDWARD F. FLYNN, JR.

SUPERVISOR OF LOAN AGENCIES
ROBERT S. LEADBETTER

ASSISTANT SUPERVISOR AND RATE ANALYST
ALFRED P. QUIRK

OFFICE OF THE COMMISSIONER OF BANKS

Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston

July 18, 1974

TO THE HONORABLE SENATE AND
HOUSE OF REPRESENTATIVES OF
THE COMMONWEALTH OF
MASSACHUSETTS:

I have the honor of submitting to you herewith the Annual Report of the Commissioner of Banks relating to Licensed Small Loan Lenders, pursuant to the provisions of General Laws, Chapter 140, Section 98.

The financial statements and miscellaneous data incorporated herein pertaining to Licensed Small Loan Lenders are for the year ended December 31, 1973.

Respectfully,

FREYDA P. KOPLOW
Commissioner of Banks

General Laws, Chapter 140, Section 98, requires that "The Commissioner shall make an annual report and shall forward therewith a copy of such returns or so much thereof as he may deem necessary."

The figures contained herein were compiled, as usual, by the process of adding together the individual reports filed by each licensee. These reports are executed on a form and in a manner prescribed by the Commissioner. The department vouches for the process of addition, the process by which the additions were arrived at following their filing — as the industry guarantees their accuracy and reliability as they were inserted in the individual reports. In some cases, as always, the reports were adjusted when not executed in accordance with instructions. In all such cases the licensee was notified and acknowledged the changes.

As of December 31, 1973, there were three hundred and three small loan licenses outstanding.

During the calendar year, 1973, 177,037 loans of \$3,000 or less amounting to \$189,154,748.16 which is less unearned charges, were made. These figures represent a decrease of 14,664 in the number of loans made and a decrease of \$7,265,509.49 in the net amount of loans made during the previous twelve month period.

The average net loan made for the period was \$1,068.45 as compared to \$1,024.62 for the calendar year 1972.

On December 31, 1973, there were 213,671 regulated loans of \$3,000 or less outstanding with a face value of \$247,266,865.32 which includes unearned charges amounting to \$47,543,443.55. These figures represent a decrease of 7,782 in the number and an increase of \$3,552,047.35 in the amount of net loans outstanding since the beginning of the calendar year.

The discrepancy between the number and amount of net loan balances outstanding at the beginning of the period as shown in Exhibit D of this report and the number and amount of net loan balances outstanding at the end of the period as shown in Exhibit D of the previous report is due to sale of assets or non-renewal of licenses of five licensees. Annual reports for these five companies were used in the compilation of the previous report but reports were not filed for the calendar year, 1973.

It is the opinion of this department that the net loan balances outstanding at the beginning of the period must be considered to truly reflect the total activity of the loan industry in the Commonwealth for the calendar year, 1973.

The average net loan outstanding on December 31, 1973 was \$934.72 as compared with \$885.84 on December 31, 1972.

Total regulated loans of \$3,000 or less charged off for the period amounted to \$6,652,771.56.

Gross income for the period totaled \$41,698,258.41 of which \$446,133.69 represents recoveries on loans previously charged off and \$239,639.24 represents other income. Operating expenses aggregating \$18,655,356.10 include \$3,296,458.59 of home office expenses; charge-offs on bad debts amounting to \$1,502,267.30 and an addition of \$4,134,190.32 to the valuation reserve combine to make a total expense of \$24,291,813.72 which, deducted from gross income, leaves a balance of \$17,406,444.69 representing net earnings before deductions of interest on borrowed funds and federal income taxes. A net earnings figure of \$3,152,408.51 remains after deducting interest on borrowed funds amounting to \$11,631,878.09 and federal income taxes amounting to \$2,622,158.09.

As of December 31, 1973, the book assets amounted to \$218,822,210.91. The cash in office and in banks amounted to \$2,225,135.57 which includes \$282,915.29 in compensating balances. Home office assets allocated to Massachusetts licensees consist of cash of \$5,562,638.45 and other assets of \$14,348,043.02 making a total

of \$19,910,681.47. Compensating balances included in the allocation amount to \$2,370,592.89 which when totaled will produce compensating balances of \$2,653,508.18. Total assets as shown in Exhibit B less compensating balances produce assets of \$216,168,702.73.

This department does not consider compensating balances to be assets. They are used here as a deduction of the liability.

The figures included in the following schedules are compiled from annual reports to the Commissioner of Banks as represented by all licensed lenders.

All common asset and expense accounts are allocated on a formula established by this department.

The maximum interest charge permitted on loans of \$3,000 or less for licensed small loan lenders is $2\frac{1}{2}$ % per month on any part of the unpaid principal balance not exceeding \$200; 2 % per month on any part of the unpaid principal balance exceeding \$200 but not exceeding \$600; $1\frac{3}{4}$ % per month on that part of the unpaid principal balance exceeding \$600 but not exceeding \$1,000; $\frac{3}{4}$ of 1 % per month on any part of the unpaid principal balance exceeding \$1,000.

Such maximum interest charge shall not exceed 6 % per annum after the termination of one year after maturity of the loan.

The maximum interest charge permitted on loans of \$3,000 or less for unlicensed lenders is one percent per month on the unpaid principal balance which must include all fees and expenses of every name, nature and description.

However, the maximum interest charge permitted on loans of more than \$1,500.00, secured wholly or partially by a mortgage on real estate, other than a first mortgage, having an assessed value of not over forty thousand dollars and having thereon a dwelling house with accommodations for six or less separate households and occupied in whole or in part at the time the loan is made as a home by the obligor on the mortgage debt or by any person granting or releasing any interest under said mortgage, is an amount equivalent to one and one half percent a month computed on the unpaid balance including all fees and expenses of every name, nature and description except actual recording fees and reasonable attorney's fees.

TABLE OF EXHIBITS

EXHIBIT A.	Legislation.
EXHIBIT B.	Composite Statement of Assets (Loan Business of \$3,000 or Less).
EXHIBIT C.	Composite Statement of Income and Expense (Loan Business of \$3,000 or Less).
EXHIBIT D.	Analysis of Loans by Size (Loans of \$3,000 or Less).
EXHIBIT E.	Analysis of Loans by Types of Security (Loans of \$3,000 or Less).
EXHIBIT F.	Analysis of Loans Made for Last Five Years (Loans of \$3,000 or Less).
EXHIBIT G.	Suits, Possession and Sale of Chattels (Loans of \$3,000 or Less).
EXHIBIT H.	Consolidated Statement of Financial Condition (Total Loan and Finance Business)
EXHIBIT I.	Consolidated Statement of Income and Expense (Total Loan and Finance Business).
EXHIBIT J.	List of Licensed Small Loan Agencies.

LEGISLATION ENACTED RELATING TO LOANS AND CREDIT
ACTS AND RESOLVES OF 1973

<u>CHAPTER</u>	<u>AMENDMENT TO:</u>	<u>DESCRIPTION</u>
19	G. L. C., 140, s. 90A	An Act providing that the law regulating interest on certain home mortgages shall apply to dwelling houses having an assessed value of not more than forty thousand dollars.
20	G. L. C. 255C, s. 1 and 2	An Act making certain corrective changes in the law relative to insurance premium finance agencies subject to the supervision of the commissioner of banks.
21	G. L. C. 93C, s. 1, 3, 5 and 6	An Act making certain changes in the law relative to the protection of consumers against careless and erroneous billings subject to the supervision of the commissioner of banks.
115	G. L. C. 183, s. 29	An Act regulating interest rate increases on certain mortgage loans.
168	G. L. C. 151B, s. 4, new subsec. 14	An Act prohibiting discrimination because of sex or marital status in the furnishing of credit and services.
273	G. L. C. 140, s. 114B G. L. C. 140C, s. 1 and 6B G. L. C. 255D, s. 27	An Act relative to the computation of finance charges in connection with certain open end credit accounts.
299	G. L. C. 183, s. 61	An Act requiring the payment of interest by mortgagees on certain real estate tax deposits.
325	G. L. C. 151B, s. 4, subsec. 14	An Act providing for recovery of damages for discrimination because of sex or marital status in the furnishing of credit and services.
512	G. L. C. 255C, s. 22	An Act authorizing insurance agents or brokers to add on certain charges for the late payment of insurance premiums.
629	G. L. C. 255, s. 13I and 13J G. L. C. 255B, s. 20A and 20B G. L. C. 255D, s. 21 and 22	An Act relative to taking possession of collateral and deficiency judgments.
799	G. L. C. 106, s. 2-316A	An Act further regulating the limitation, exclusion or waiver of warranties in the sale of consumer goods and services.

802	G. L. C. 140C, s. 4(a)(3) s. 6(a) s. 6(b)(5)(6) s. 6(c) G. L. C. 255D, s. 27	An Act relative to consumer credit cost disclosure and making corrective and other changes in the law relative to retail installment sales and services subject to the supervision of the commissioner of banks.
924	G. L. C. 255D, s. 1, new s. 11A and 11B	An Act further regulating certain retail installment sales and services in connection with use of merchandise certificates and coupons.
925	G. L. C. 4, s. 7 etc.	An Act establishing the age of majority for certain legal purposes as eighteen years of age.
1149	G. L. C. 93, s. 24C G. L. C. 140, s. 97 G. L. C. 167, s. 2 G. L. C. 167A, s. 4A G. L. C. 168, s. 4, 5, 72, 73 and 78 G. L. C. 170, s. 3, 12, 47 and 48 G. L. C. 172, s. 7, 11 and 38 G. L. C. 172A, s. 2, 12 and 12A G. L. C. 255B, s. 2, 3 and 5 G. L. C. 255C, s. 3 and 6 G. L. C. 255D, s. 2, 3 and 5	An Act increasing certain fees payable to the commonwealth.

The Commonwealth of Massachusetts
ANNUAL REPORT TO THE COMMISSIONER OF BANKS
 FOR THE YEAR ENDED DECEMBER 31, 1973
 (General Laws, Chapter 140, Section 98)

EXHIBIT B

COMPOSITE STATEMENT OF ASSETS, DECEMBER 31, 1973
 (Loan Business of \$3,000 or Less)

		Licensed Agencies
		303
<hr/>		
Receivables:		
(a) Gross Amount		\$ 247,266,865.32
(b) Less: Unearned Charges		47,543,443.55
(c) Less: Allowance for Bad Debts		6,144,087.90
(d) Net Receivables		<u>\$ 193,579,333.87</u>
Cash in Office and in Banks		2,225,135.57
Real Estate (Less Allowance for		
Depreciation — Buildings)		235,336.97
Furniture, Fixtures and Equipment		
(Less Allowance for Depreciation)		1,463,500.88
Deferred Charges or Prepaid Expenses		523,230.44
Other Assets:		
(a) Organization and Development Expense	\$ 2,793.51	
(b) Cost of Financing	7,193.73	
(c) Investments	245,815.62	
(d) Miscellaneous Notes and Accounts		
Receivables	386,486.68	
(e) Miscellaneous	<u>242,702.17</u>	<u>884,991.71</u>
Total Assets		<u>\$ 198,911,529.44</u>
Home Office Assets Allocated to		
Massachusetts Licensees		19,910,681.47
Total		<u>\$ 218,822,210.91</u>
<hr/>		
Compensating Balances included in Cash		282,915.29
Compensating Balances Included in Home Office Assets		
Allocated to Massachusetts Licensees		2,370,592.89
Total Compensating Balances Included in Assets		<u>\$2,653,508.18</u>

EXHIBIT C

COMPOSITE STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 1973
(Loan Business of \$3,000 or Less)

GROSS INCOME		
Charges collected and/or earned		\$ 40,165,638.61
Delinquency charges collected		846,846.87
Collection on accounts previously charged off		446,133.69
Other Income:		
(a) Gain on Sale of Assets	\$ 18,418.90	
(b) Income from Investments	15,809.59	
(c) Miscellaneous	205,410.75	239,639.24
Total Gross Income		\$ 41,698,258.41

EXPENSES OF CONDUCTING BUSINESS		
Advertising		\$ 959,010.02
Auditing		80,046.59
Bad Debts:		
(a) Charged Off	\$1,502,267.30	
(b) Addition to Reserve	4,134,190.32	5,636,457.62
Depreciation of Furniture, Fixtures and Equipment		326,523.53
Recording and Acknowledging Fees		6,712.74
Insurance and Fidelity Bonds		78,671.74
Legal Fees and Disbursements		397,389.76
Postage and Express		345,504.93
Printing, Stationery and Supplies		227,968.77
Rent		1,426,078.96
Salaries		7,051,688.05
Supervision and Administration		547,601.75
Taxes (Excluding Federal Taxes on Income)		
(a) State Income	489,039.37	
(b) License Fees	75,260.00	
(c) All Other Taxes	756,170.06	1,320,469.43
Telephone and Telegraph		984,830.17
Travel		246,803.55
Other Expenses of Conducting Business		1,359,598.20
Total		\$ 20,995,355.15
Total Home Office Expenses		3,296,458.57
Cost of Borrowed Funds		11,631,878.09
Total Expenses		\$ 35,923,691.81
Net Earnings Before Federal Income Taxes		5,774,566.60
Federal Income Taxes		2,622,158.09
Total Expenses After Income Taxes		\$ 38,545,849.90
Net Earnings After Income Taxes and Interest on Borrowed Funds		\$ 3,152,408.51

EXHIBIT D

ANALYSIS OF LOANS BY SIZE

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Total Loan Balances Outstanding (Less Unearned Charges) at Beginning of Period	220,548	\$195,807,754.89
Loans made during the period:		
(a) Loans of \$ 100.00 or Less	1,414	105,130.31
(b) Loans of \$ 100.01 to \$ 200.00	7,567	1,090,418.62
(c) Loans of \$ 200.01 to \$ 300.00	14,690	3,469,120.08
(d) Loans of \$ 300.01 to \$ 400.00	14,528	4,877,995.85
(e) Loans of \$ 400.01 to \$ 500.00	12,242	5,394,030.51
(f) Loans of \$ 500.01 to \$ 600.00	16,648	9,052,235.85
(g) Loans of \$ 600.01 to \$1,000.00	33,667	26,165,037.16
(h) Loans of \$1,000.01 to \$1,500.00	30,630	37,133,940.26
(i) Loans of \$1,500.01 to \$3,000.00	45,651	101,866,839.52
Total Loans made during the period	177,037	\$189,154,748.16
Loan Balances purchased during the period	10,146	9,202,852.84
Loan Balances sold during the period	8,515	8,251,431.73
Loan Balances charged off during the period	9,561	6,652,771.56
Collections during the period	—	179,537,730.83
Total Loan balances outstanding (Less Unearned Charges) at the end of the period	213,671	\$199,723,421.77

EXHIBIT E

ANALYSIS OF LOANS BY TYPES OF SECURITY

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Loans made during the period based in whole or in large part on:		
(a) Chattel Mortgages on Household Goods	73,798	\$108,940,578.48
(b) Automobiles	10,812	15,226,365.16
(c) Real Estate	192	414,189.17
(d) Other Chattels	2,382	2,940,912.50
(e) Unsecured Notes	81,605	54,677,897.76
(f) Endorsed and/or Co-maker Notes	7,113	5,767,472.66
(g) Wage Assignments	292	263,659.17
(h) Other Considerations	843	923,673.26
Total	177,037	\$189,154,748.16

EXHIBIT F

ANALYSIS OF LOANS MADE FOR LAST FIVE YEARS

(Loans of \$3,000 or Less)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Number	226,091	203,730	191,982	191,701	177,037
Amount:					
	\$189,160,506.90	\$182,453,641.71	\$180,696,478.79	\$196,420,257.65	\$189,154,748.16

EXHIBIT G

SUITS, POSSESSION AND SALE OF CHATTELS

(Loans of \$3,000 or Less)

	<u>Number</u>	<u>Amount</u>
Suits of Recovery:		
(a) Pending at close of previous period	3,880	\$3,247,643.14
(b) Instituted during period	1,621	1,642,512.78
(c) Total	<u>5,501</u>	<u>\$4,890,155.92</u>
(d) Judgment secured during period	986	\$ 977,121.60
(e) Settled before judgment during the period	811	682,399.46
(f) Total	<u>1,797</u>	<u>\$1,659,521.06</u>
(g) Pending at close of current period	<u>3,704</u>	<u>\$3,230,634.86</u>
Wage Assignments filed during the period	<u>13</u>	<u>\$ 13,818.52</u>
Possession of Chattels obtained by licensees:		
(a) By legal process or contract right:		
(1) Household goods	0	0
(2) Automobiles	44	\$ 54,355.37
(3) Other Chattels and Property	5	4,773.85
(b) By Voluntary surrender:		
(1) Household Goods	14	13,695.51
(2) Automobiles	57	93,552.35
(3) Other Chattels and Property	8	10,709.34
Sales of Chattels by Licensees:		
	<u>Number</u>	<u>Amount Due</u> <u>Amount Collected</u>
(a) With borrower's consent	49	\$76,733.61 \$ 33,372.79
(b) Without borrower's consent	49	\$75,395.39 \$ 21,872.35

EXHIBIT H

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION, DEC. 31, 1973
(Total Loan and Finance Business)

<u>ASSETS</u>		
Receivables:		
(a) Gross Amount		\$301,785,380.67
(b) Less: Unearned Charges		50,507,517.87
(c) Less: Allowance for bad debts		7,605,581.07
(d) Net Receivables		<u>\$243,672,281.73</u>
Cash in office and in banks		3,307,003.46
Real Estate (Less Allowance for Depreciation — Buildings)		1,714,746.96
Furniture, Fixtures, Equipment (Less Allowance for Depreciation)		1,813,483.56
Deferred charges or prepaid expenses		601,762.08
Other Assets:		
(a) Organization or development expense	\$ 3,248.79	
(b) Cost of Financing	7,522.46	
(c) Investments	613,023.84	
(d) Miscellaneous Notes and Accounts Receivables	806,748.12	
(e) Miscellaneous	361,834.68	1,792,377.89
		<u>-----</u>
Total Assets		<u>\$252,901,655.68</u>
Home Office Assets allocated to Massachusetts Licensees		\$ 22,883,247.16
Total		<u>\$275,784,902.84</u>
<u>LIABILITIES AND CAPITAL</u>		
Accounts and Notes Payable:		
(a) Banks	\$ 9,032,431.47	
(b) Due to Parent Company or Affiliate	104,886,637.15	
(c) Other Short Term Notes and Accounts	4,033,700.61	\$117,952,769.23
Bonds		277,758.00
Long Term Notes		2,884,369.38
Investment Certificates		2,884,894.81
Other Liabilities:		
(a) Accrued Expense	634,432.37	
(b) Other Expense Reserves	1,378,360.26	2,012,792.63
Branch Office Capital		103,208,175.12
Net Worth (If Individual or Partnership)		75,269.29
Capital Stock (If Corporation):		
(a) Preferred	2,110,336.82	
(b) Common	5,503,952.01	7,614,288.83
Paid in Surplus		9,895,296.07
Appropriate Surplus or Capital Reserve		1,258,667.94
Retained Earnings		4,837,374.38
Total Liabilities and Capital		<u>\$252,901,655.68</u>
Compensating Balances included in cash	\$	579,965.01
Compensating Balances included in home office Assets allocated to Massachusetts licensees		4,117,742.72
Total compensating balances included in assets	\$	<u>4,697,707.73</u>

EXHIBIT I

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 1973

(Total Loans and Finance Business)

GROSS INCOME

Charges collected and/or earned		\$47,575,728.78
Delinquency charges collected		987,201.88
Collections on accounts previously charged off ...		571,062.29
Other Income:		
(a) Gain on Sale of Assets	\$ 72,885.42	
(b) Income from investments	226,004.79	
(c) Miscellaneous	385,778.36	684,668.57
Total Gross Income		<u>\$49,818,661.52</u>

EXPENSES OF CONDUCTING BUSINESS

Advertising		\$1,079,097.67
Auditing		107,998.10
Bad Debts:		
(a) Charged Off	\$1,634,686.77	
(b) Addition to Reserves	5,178,978.66	6,813,665.43
Depreciation of Furniture, Fixtures and Equipment		432,055.77
Recording and Acknowledging Fees		8,457.70
Insurance and Fidelity Bonds		116,244.32
Legal Fees and Disbursements		491,086.16
Postage and Express		426,081.32
Printing, Stationery and Supplies		285,017.18
Rent		1,724,057.34
Salaries		8,709,519.00
Supervision and Administration		661,417.37
Taxes (Excluding Federal Taxes on Income):		
(a) State Income	\$ 600,757.72	
(b) License Fees	124,325.77	
(c) All Other Taxes	956,298.14	1,681,381.63
Telephone and Telegraph		1,200,351.32
Travel		309,174.32
Other Expenses of Conducting Business		<u>1,841,936.00</u>
Total		\$25,887,540.63
Total Home Office Expense		4,029,049.63
Cost of Borrowed Funds		<u>14,407,183.00</u>
Total Expenses		<u>\$44,323,773.26</u>
Net Earnings Before Federal Income Taxes		<u>\$ 5,494,888.26</u>
Federal Income Taxes		<u>\$ 2,911,237.85</u>
Total Expenses After Income Taxes		<u>\$47,235,011.11</u>
Net Earnings After Income Taxes and Interest on Borrowed Funds		<u>\$ 2,583,650.41</u>

EXHIBIT J

LICENSED SMALL LOAN AGENCIES

Following is a list of those engaged in the business of making small loans in the cities and towns in Massachusetts and licensed as of May 31, 1974.

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
BOSTON		
53	Beatty, Charles S., Company	7 Water Street
63	Belmont Finance Company	501 Washington Street
22	Beneficial Finance Co.	77 Summer Street
57	Beneficial Finance Co.	1 Court Street
231	Beneficial Finance Co.	1257 River St., Hyde Park
204	Beneficial Finance Co.	4640 Washington St., Roslindale
235	Beneficial Finance Co.	105 Dorchester St., So. Boston
149	Blazer Financial Services, Inc.	359 Washington St., Brighton
43	Blazer Financial Services, Inc.	1457 Dorchester Ave., Dorchester
238	Coleman Acceptance Trust	18 Tremont Street
89	Commercial Credit Plan Incorporated	150 Tremont Street
93	Dial Finance Company of Boston, Inc.	15 School Street
217	Dial Finance Company of Boston No. 2, Inc.	38 Chauncy Street
186	Dial Finance Company of Boston No. 1, Inc.	31 St. James Avenue
394	Friendly Loan Corporation	21 Porter St., E. Boston
396	GAC Finance Inc. of Massachusetts	1545 Blue Hill Ave., Mattapan
360	Globe Financial Services, Inc.	677 Beacon Street
16	Household Finance Corporation	151-162 Tremont Street
82	Household Finance Corporation	294 Washington Street
202	Household Finance Corporation	59 Temple Place
143	Household Finance Corporation	735 Morrissey Blvd., Dorchester
208	Household Finance Corporation of Boston	679 Canterbury St., Roslindale
320	Merit Finance Company, Inc.	73 Tremont Street
5	Nestor-Hall Company	7 Water Street
354	Postal Finance Company, Inc.	262 Washington Street
374	Postal Finance Company, Inc.	58 Winter Street
111	Public Finance Company	333 Washington Street
200	Public Finance Company	31 St. James Avenue
216	Public Finance Company	333 Washington Street
305	Public Finance Company	1492 Dorchester Ave., Dorchester
61	Public Finance Company	230 Meridian St., E. Boston
184	Public Finance Company	1266 River St., Hyde Park
218	Public Finance Company	4252 Washington St., Roslindale
145	State Loan Co.	120 Boylston Street
347	Sumner Finance Company	262 Washington Street

AGAWAM

341	C. I. T. Financial Services, Inc.	324 Walnut Street
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ANDOVER

98	Andover Finance Company	Musgrove Bldg., Elm Square
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ARLINGTON

326	American Finance Corp. of Middlesex County	457 Massachusetts Ave.
297	C. I. T. Financial Services, Inc.	11 Mystic Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
ATHOL		
162	Public Finance Company	516 Main Street
ATTLEBORO		
48	Beneficial Finance Co.	32 Park Street
405	Postal Finance Company	25 Bank Street
130	Public Finance Company	39 Park Street
BEVERLY		
58	American Finance Corp. of Lynn	269 Cabot Street
214	Associates Financial Services Co. of Mass.	263 Cabot Street
181	Beneficial Finance Co.	236 Cabot Street
BRAINTREE		
240	Credithrift of America Inc. No. 2	731 Granite Street
BROCKTON		
289	Avco Financial Services Trust, The	250 Main Street
133	Beneficial Finance Co.	190 Main Street
84	Commercial Credit Plan Incorporated	228 Main Street
85	C. I. T. Financial Services, Inc.	286 North Main Street
253	Dial Finance Company of Brockton, Inc.	726 Crescent Street
397	GAC Finance Inc. of Massachusetts	Store 31B, Westgate Shopping Center
194	Household Finance Corporation	136 Main Street
87	Local Finance Company of Brockton, Inc.	95 Main Street
113	Postal Finance Company, Inc.	121 Main Street
104	Public Finance Company	139 Main Street
190	Signal Finance Company of Mass., Inc.	57 Legion Parkway
BROOKLINE		
160	Beneficial Finance Co.	269 Harvard Street
141	Household Finance Corporation	1330 Beacon Street
BILLERICA		
222	Dial Finance Co. of Burlington Mass., Inc.	700 Boston Road
BUZZARDS BAY		
306	Public Finance Company	137 Main Street
CAMBRIDGE		
71	Beneficial Finance Co.	519 Massachusetts Ave.
64	Household Finance Corporation	678 Massachusetts Ave.
80	Household Finance Corp. of Cambridge	27 White Street
118	Postal Finance Company	519 Massachusetts Ave.
159	Public Finance Company	495 Massachusetts Ave.
CHELSEA		
309	Public Finance Company	438 Broadway
CHICOPEE		
234	Beneficial Finance Co.	272 Exchange Street
129	Household Finance Corp. of Chicopee	10 Center Street
CLINTON		
106	Associates Financial Serv. Co. of Mass., Inc.	70 High Street
EASTHAMPTON		
3	Local Finance Company of Easthampton, Inc.	62 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
EVERETT		
197	Beneficial Finance Co.	449a Broadway
292	Blazer Financial Services, Inc.	427a Broadway
310	Public Finance Company	164 School Street
FAIRHAVEN		
38	C. I. T. Financial Services, Inc.	102 Huttleston Avenue
FALL RIVER		
28	Beneficial Finance Co.	33 Bedford Street
165	Commercial Credit Plan Incorporated	435 Columbia Street
10	Dial Finance Company of Fall River, Inc. ...	259 South Main Street
398	GAC Finance Inc. of Massachusetts	1467 South Main Street
27	Household Finance Corporation	Store #1, Harbor Mall
209	Local Finance Company of Fall River, Inc. ...	17 North Main Street
379	Pacific Finance Loans	314 South Main Street
37	Public Finance Company	114 South Main Street
367	Stanley Company, Inc., The	64 North Main Street
FITCHBURG		
375	Associates Financial Serv. Co. of Mass., Inc.	385 Main Street
32	Beneficial Finance Co.	347 Main St. and 349 Main St.
52	Household Finance Corporation	457 Main Street
380	Pacific Finance Loans	558 Main Street
273	Public Finance Company	516 Main Street
FRAMINGHAM		
51	Avco Financial Services Trust, The	1 Framingham Center
173	Beneficial Finance Co.	106 Concord Street
260	Household Finance Corp. of Framingham ..	40 Concord Street
254	Local Finance Company of Framingham, Inc.	32 Union Avenue
95	Public Finance Company	18 Union Avenue
GARDNER		
232	Beneficial Finance Co.	49 Parker Street
161	Public Finance Company	11 Pleasant Street
GLOUCESTER		
59	Public Finance Company	82 Main Street
GREAT BARRINGTON		
8	Pioneer Credit Corporation	337 Main Street
GREENFIELD		
146	Beneficial Finance Co.	275 Main Street
153	Guaranty Loan Co. of Greenfield, Inc.	209 Main Street
283	Household Finance Corp. of Greenfield	158 Main Street
HAVERHILL		
233	American Finance Corp. of Middlesex County	21 Washington Square
105	Beneficial Finance Co.	143 Merrimack Street
346	Haverhill Finance Corporation	191 Merrimack Street
261	Household Finance Corp. of Haverhill	91 Merrimack Street
393	Pacific Finance Loans	234 Water Street
120	Public Finance Company	109 Merrimack Street
HOLYOKE		
40	Beneficial Finance Co.	560 Dwight Street
215	Dial Finance Company of Holyoke, Inc.	320 High Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
245	Household Finance Corp. of Holyoke	353 High Street
175	Public Finance Company	348 High Street
291	Signal Finance Company of Mass., Inc.	392 High Street
HUDSON		
69	Public Finance Company	23 Main Street
HYANNIS		
11	Avco Financial Services Trust, The	Building #2, Capetown Center
76	Beneficial Finance Co.	436 Main Street
226	Commercial Credit Plan, Inc.	509 Main Street
284	Household Finance Corp. of Hyannis	396 Main Street
338	Local Finance Company of Hyannis, Inc.	29 North Street
LAWRENCE		
370	American Finance Corp. of Middlesex County	204 Essex Street
15	Avco Financial Services Trust, The	372 Common Street
147	Beneficial Finance Co.	27 Amesbury Street
262	Household Finance Corp. of Lawrence	488 Essex Street
30	Local Loan & Finance Co., Inc.	79 Common Street
114	Public Finance Company	15 Lawrence Street
LEOMINSTER		
83	Associates Financial Serv. Co. of Mass., Inc. .	44 Main Street
148	Beneficial Finance Co.	51 Main Street
155	Leominster Finance Corporation	10 Monument Square
LOWELL		
101	Advance Finance Company	147 Central Street
55	Beneficial Finance Co.	11 Central Street
179	Beneficial Finance Co.	97 Central Street
29	Blazer Financial Services, Inc.	40 Central Street
322	Commercial Credit Plan Incorporated	176 Church Street
399	GAC Finance Inc. of Massachusetts	74 Merrimack Street
172	Household Finance Corporation	94 Merrimack Street
369	Kels Investment Corporation	331 Westford Street
317	Lowell Finance Company, Inc.	217 Appleton Street
269	Merrimack Valley Finance Co. Inc.	1 Merrimack Street
119	Postal Finance Company, Inc.	24 Merrimack Street
14	Public Finance Company	2 Kearney Square
LYNN		
390	Aetna Finance Company	30 Market Street
314	American Finance Corp. of Middlesex County	26 State Street
404	Avco Financial Services Trust, The	140 Union Street
122	Beneficial Finance Co.	48 State Street
41	C. I. T. Financial Services, Inc.	21 State Street
371	Dial Finance Company of Lynn, Inc.	116 Market Street
154	Household Finance Corporation	30 Central Avenue
121	Postal Finance Company	171A Union Street
19	Public Finance Company	29 Central Square
MALDEN		
391	Aetna Finance Company	366 Main Street
107	Beneficial Finance Co.	444 Pleasant Street
323	Commercial Credit Plan Incorporated	33 Dartmouth Street
321	Dial Finance Company of Malden, Inc.	3 Pleasant Street
6	Household Finance Corporation	60 Pleasant Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
72	Public Finance Company	15 Pleasant Street
227	State Loan Co., Inc.	482 Main Street
MANSFIELD		
62	The Mansfield Finance Company, Inc.	5 Old Colony Road
MARLBOROUGH		
65	Beneficial Finance Co.	214 Main Street
31	Blazer Financial Services, Inc.	132 Main Street
171	Marlboro Finance Corporation	219 Main Street
MEDFORD		
199	Beneficial Finance Co.	16 High Street
188	Household Finance Corporation	11 Salem Street
311	Public Finance Co.	24 Riverside Avenue
MIDDLEBOROUGH		
250	Beneficial Finance Co.	6 So. Main Street
MILFORD		
207	Beneficial Finance Co.	145 Main Street
140	Greenleaf Finance Incorporated	230 Main Street
373	Ideal Finance, Inc.	82 Main Street
255	Local Finance Company of Milford, Inc. ...	179 Main Street
110	Milford Finance Corporation	182 Main Street
NATICK		
385	Pacific Finance Loans	11a West Central Street
NEW BEDFORD		
395	Associates Financial Serv. Co. of Mass., Inc.	283 Union Street
100	Avco Financial Services Trust, The	71 William Street
44	Beneficial Finance Co.	758 Purchase Street
219	Beneficial Finance Co.	1349 Acushnet Avenue
46	Community Plan Incorporated	558 Pleasant Street
193	Credithrift of America, Inc. No. 2	276 Union Street
77	Household Finance Corporation	852 Purchase Street
26	Luzo Corporation of America	139 Rivet Street
17	Postal Finance Company	292 Union Street
90	Public Finance Company	801 Purchase Street
NEWBURYPORT		
150	Beneficial Finance Co.	80 State Street
400	GAC Finance Inc., of Massachusetts	40 Pleasant Street
NEWTON		
244	Avco Financial Services Trust, The	995 Watertown St., West Newton
201	Beneficial Finance Co.	325 Walnut St., Newtonville
NORTH ADAMS		
151	Beneficial Finance Co.	59 Main Street
378	Pacific Finance Loans	85 Main Street
132	Postal Finance Company, Inc.	14 Ashland Street
NORTH ATTLEBOROUGH		
60	Ford Motor Credit Company	130 So. Washington St.
NORTHAMPTON		
264	Household Finance Corp. of Northampton	70 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
35	Local Finance Co. of Northampton, Inc.	159 Main Street
381	Pacific Finance Loans	142 Main Street
NORTH DARTMOUTH		
67	Pacific Finance Loans	K-Mart, Shopping Ctr, Faunce Corner Rd.
NORWOOD		
196	Beneficial Finance Co.	643 Washington Street
282	Household Finance Corp. of Norwood	661 Washington Street
158	Public Finance Company	705 Washington Street
PALMER		
274	Guaranty Loan Co. of Palmer, Inc.	366 Main Street
PEABODY		
144	Household Finance Corp. of Peabody	North Shore Shopping Center
256	Local Finance Company of Peabody, Inc.	70 Main Street
12	Pacific Finance Loans	525 Lowell Street
PITTSFIELD		
88	Beneficial Finance Co.	361 North Street
241	Budget Finance Plan	515 East Street
47	C. I. T. Financial Services, Inc.	346 North Street
230	Commercial Credit Plan Incorporated	63 Cheshire Road
265	Household Finance Corp. of Pittsfield	86 North Street
383	Pacific Finance Loans	678 Merrill Road
170	Public Finance Company	346 North Street
PLYMOUTH		
203	Beneficial Finance Co.	25 Main Street
QUINCY		
248	American Finance Corp. of Middlesex County	1620 Hancock Street
243	Avco Financial Services Trust, The	1466 Hancock Street
136	Beneficial Finance Co.	113 Parkway
75	Blazer Financial Services, Inc.	10 Chestnut Street
363	Homemakers Finance Service	21 Franklin Street
180	Household Finance Corporation	148 Parkway
304	Local Finance Company of Quincy, Inc.	1388 Hancock Street
116	Public Finance Company	1468 Hancock Street
169	Signal Finance Company of Mass., Inc.	8 Granite Street
RANDOLPH		
340	Dial Finance Company of Randolph, Inc.	322 North Main Street
READING		
401	GAC Finance Inc. of Massachusetts	580 Main Street
REVERE		
246	Paul Revere Loan Association, Inc.	206 Broadway
24	Public Finance Company	209 Squire Road
ROCKLAND		
257	Local Finance Co. of Rockland, Inc.	257 Union Street
SALEM		
189	American Finance Corp. of Middlesex County	16 New Derby Street
137	Beneficial Finance Co.	120 Washington Street
183	Household Finance Corporation	75 Washington Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
271	Public Finance Company	211 Essex Street
SAUGUS		
365	Homemakers Finance Service	5 Broadway
198	Household Finance Corp. of Saugus	1307 Broadway
SHREWSBURY		
74	C. I. T. Financial Services, Inc.	50 Boston Turnpike
23	Public Finance Company	384C Maple Avenue
SOMERSET		
225	Local Finance Company of Somerset, Inc.	933 County Street
SOMERVILLE		
33	Beneficial Finance Co.	263 Elm Street
96	Blazer Financial Services, Inc.	415 Highland Avenue
329	People's Finance Co. of Boston, Inc.	59 Union Square
272	Public Finance Company	409A Highland Avenue
SOUTHBRIDGE		
294	Blazer Financial Services, Inc.	1 Elm Street
187	Public Finance Company	312 Main Street
SPRINGFIELD		
210	American Finance Corp. of Middlesex County	266 Bridge Street
91	Associates Financial Serv. Co. of Mass., Inc. .	620 State Street
276	Avco Financial Services Trust, The	1645 Main Street
50	Beneficial Finance Co.	526 Sumner Avenue
73	Beneficial Finance Co.	1624 Main Street
167	Commercial Credit Plan Incorporated	1385 Liberty Street
102	Credithrift of America, Inc. No. 2	356 Memorial Ave., W. Spgfld.
142	Dial Finance Co., Springfield, Mass., #1, Inc.	479 Breckwood Blvd.
220	Dial Finance Co. of Springfield, Mass., Inc. .	1173 Main Street
364	Homemakers Finance Service	1985 Main Street
139	Household Finance Corporation	1576 Main Street
125	Ideal Budget Plan, Inc.	1660 Main Street
386	Pacific Finance Loans	523 Belmont Avenue
377	Pacific Finance Loans	1211 Boston Road
182	Postal Finance Company	1228 Main Street
163	Public Finance Company	1567 Main Street
212	Signal Finance Company of Mass., Inc.	653 Boston Road
STONEHAM		
266	Household Finance Corp. of Stoneham	83 Main Street
STOUGHTON		
308	Local Finance Company of Stoughton, Inc.	54 Porter Street
TAUNTON		
81	Beneficial Finance Co.	75 Main Street
258	Local Finance Company of Taunton, Inc.	3 Main Street
185	Postal Finance Company, Inc.	4 Cedar Street
WAKEFIELD		
237	Beneficial Finance Co.	407 Main Street
376	Ford Motor Credit Company	607 North Avenue
WALPOLE		
156	Dial Finance Company of Walpole, Inc.	940 Main Street

<i>Lic. No.</i>	<i>Name</i>	<i>Address</i>
WALTHAM		
392	Aetna Finance Company	877 Main Street
135	Beneficial Finance Co.	248 Moody Street
79	Household Finance Corporation	333 Moody Street
42	Pacific Finance Loans	21 Main Street
123	Public Finance Company	389 Moody Street
WAREHAM		
403	Seacoast Finance Co., Inc.	171 Marion Road
WATERTOWN		
20	Associates Financial Serv. Co. of Mass., Inc.	279 Mt. Auburn Street
WEBSTER		
164	Beneficial Finance Co.	224 Main Street
168	People's Finance Company, Inc.	127 Main Street
WESTFIELD		
112	Beneficial Finance Co.	36 Elm Street
108	Pioneer Loan & Finance Corporation	99 Elm Street
285	Public Finance Company	53 Elm Street
WEYMOUTH		
372	Commercial Credit Plan Incorporated	809 Washington St. (E. Weymouth)
127	Household Finance Corp. of Weymouth	116 Main Street
WHITINSVILLE		
315	Dial Finance Co. of Whitinsville, Inc.	185 Church Street
WILBRAHAM		
78	Associates Financial Serv. Co. of Mass., Inc.	6 Stoneyhill Road
WOBURN		
128	American Finance Corp. of Middlesex County	446 Main Street
205	Beneficial Finance Co.	371 Main Street
259	Local Finance of Woburn, Inc.	343 Main Street
WORCESTER		
124	Associates Financial Serv. Co. of Mass., Inc. .	27 Pearl Street
68	Avco Financial Services Trust, The	285 Park Avenue
115	Beneficial Finance Co.	36 Franklin Street
157	Beneficial Finance Co.	414 West Boylston Street
270	Beneficial Finance Co.	1086 Main Street
242	Budget Finance Plan	55 Pleasant Street
331	City Finance, Inc.	289 Main Street
94	Commercial Credit Plan, Inc.	945 Grafton Street
327	Consumers Financial Services, Inc.	8 Norwich Street
126	Dial Finance Co. of Worcester, Inc.	544 Main Street
131	Household Finance Corporation	545G Lincoln Street
224	Household Finance Corporation	390 Main Street
316	Household Finance Corp. of Worcester	1073 Main Street
34	Italian Finance Co. of Worcester	157 Shrewsbury Street
382	Pacific Finance Loans	99A Stafford Street
384	Pacific Finance Loans	534 Lincoln Street
228	Postal Finance Company, Inc.	405 Main Street
13	Public Finance Company	390 Main Street
213	Signal Finance Company of Mass., Inc.	496 Park Avenue





ACME
BOOKBINDING CO., INC.

MAY 6 1991

100 CAMBRIDGE STREET
CHARLESTOWN, MASS

